DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

DOMINICAN REPUBLIC

MULTIPHASE PROGRAM FOR EQUITY IN BASIC EDUCATION PHASE I

(DR-0125)

LOAN PROPOSAL

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ANNEXES

BASIC SOCIOECONOMIC DATA

The basic socioeconomic data for the Dominican Republic are available on the Internet at the following address:

http://www.iadb.org/RES/index.cfm?fuseaction-externallinks.countrydata

ABBREVIATIONS

AOP	Annual Operating Plan
DGEB	Dirección General de Educación Básica [General Directorate for Basic Education]
ENS	Escuelas Normales Superiores [teachers' colleges]
FIV	Inspection and Supervision Fee
GDP	Gross domestic product
IBRD	International Bank for Reconstruction and Development
IDB	Inter-American Development Bank
IFF	Intermediate Financing Facility
ISFD	Instituto Superior de Formación Docente [Teachers College]
NGO	Nongovernmental organization
OC	Ordinary Capital
OCI	Oficina de Cooperación Internacional [Office of International Cooperation]
PDE	Plan de Desarrollo Educativo [Educational Development Plan]
PECs	Proyectos Educativos de Centro [School Education Projects]
PERs	Proyectos Educativos de Red [Network Education Projects]
PTI	Poverty-Targeted Investment
SEE	Secretaría de Estado de Educación [Secretariat of State for Education]
SIGED	Sistema de Gestión Educativa Distribuida [Distributed Educational Management System]
TAPs	Talleres de Aprendizaje [Learning Workshops]
UAUM	Unidad de Apoyo a Centros Urbano-Marginales [Marginal Urban Area Support Unit]
UIE	Unidad de Inteligencia Educativa [Educational Intelligence Unit]
UR	Unidad de Educación Rural [Rural Education Unit]

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DOMINICAN REPUBLIC

IDB LOANS

APPROVED AS OF SEPTEMBER 30, 2002

	US$Thousand	*Percent*
TOTAL APPROVED	***2,172,505***	
DISBURSED	*1,616,881*	*74.4%*
UNDISBURSED BALANCE	*555,624*	*25.6%*
CANCELLATIONS	*556,707*	*25.6%*
PRINCIPAL COLLECTED	*610,687*	*28.1%*
APPROVED BY FUND		
ORDINARY CAPITAL	*1,383,964*	*63.7%*
FUND FOR SPECIAL OPERATIONS	*703,214*	*32.4%*
OTHER FUNDS	*85,327*	*3.9%*
OUSTANDING DEBT BALANCE	***1,006,194***	
ORDINARY CAPITAL	*571,824*	*56.8%*
FUND FOR SPECIAL OPERATIONS	*425,733*	*42.3%*
OTHER FUNDS	*8,637*	*0.9%*
APPROVED BY SECTOR		
AGRICULTURE AND FISHERY	*503,083*	*23.2%*
INDUSTRY, TOURISM, SCIENCE TECHNOLOGY	*126,498*	*5.8%*
ENERGY	*331,387*	*15.3%*
TRANSPORTATION AND COMMUNICATIONS	*229,412*	*10.6%*
EDUCATION	*173,267*	*8.0%*
HEALTH AND SANITATION	*185,267*	*8.5%*
ENVIRONMENT	*0*	*0.0%*
URBAN DEVELOPMENT	*32,134*	*1.5%*
SOCIAL INVESTMENT AND MICROENTERPRISE	*335,860*	*15.5%*
REFORM PUBLIC SECTOR MODERNIZATION	*180,594*	*8.3%*
EXPORT FINANCING	*20,296*	*0.9%*
PREINVESTMENT AND OTHER	*54,706*	*2.5%*

**** Net of cancellations with monetary adjustments and export financing loan collecti***

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Dominican Republic

Tentative Lending Program

2002

Project Number	Project Name	IDB US$ Millions	Status
DR0138	Supporting Food and Agricultural Sector Competitiveness	55.0	APPROVED
DR0145	Disaster Prevention and Risk Management Program	5.0	APPROVED
*DR0136	Privatization of International Airports	150.0	APPROVED
DR0125	Equity Enhancement Basic Education Program	70.0	
DR0146	Pensional Reform Implementation	5.0	
	Total - A : 5 Projects	**285.0**	
*DR0147	Andres Power Plant	75.0	
	Total - B : 1 Projects	**75.0**	
	TOTAL 2002 : 6 Projects	**360.0**	

2003

Project Number	Project Name	IDB US$ Millions	Status
DR0149	Inform. Society's Institutional Develop	5.6	
DR0153	Inst. Strengthening for Local Development	40.0	
DR0148	Sector Facility Loan External Business	5.0	
DR0151	Financial Reform Consolidation Sector Program	100.0	
	Total - A : 4 Projects	**150.6**	
DR0154	Tertiary Education Improvement	34.0	
DR0152	Competitiveness Promotion Proram	7.0	
DR0143	Rehabilitation Historical Center Sto Domingo	50.0	
DR0141	Housing Program	30.0	
	Total - B : 4 Projects	**121.0**	
	TOTAL - 2003 : 8 Projects	**271.6**	
	Total Private Sector 2002 - 2003	**225.0**	
	Total Regular Program 2002 - 2003	**406.6**	

*** Private Sector Project**

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DOMINICAN REPUBLIC

STATUS OF LOANS IN EXECUTION AS OF SEPTEMBER 30, 2002

(Amounts in US$ thousands)

APPROVAL PERIOD	NUMBER OF PROJECTS	AMOUNT APPROVED	AMOUNT DISBURSED	% DISBURSED
Before 1996	3	206,000	139,800	67.86%
1996 - 1997	2	93,200	31,585	33.89%
1998 - 1999	7	281,660	104,439	37.08%
2000 - 2001	3	274,300	84,369	30.76%
2002	2	60,000	0	0.00%
TOTAL	17	$915,160	$360,193	39.36%

* Net of Cancellations . Excluding export financing loans.

MULTIPHASE PROGRAM FOR EQUITY IN BASIC EDUCATION
PHASE I

(DR-0125)

EXECUTIVE SUMMARY

Borrower:	Government of the Dominican Republic		
Executing agency:	Secretariat of State for Education (SEE)		
Amount and source:		Phase I (four years)	Phase II (five years)
	IDB: (OC)	US$80 million	US$100 million
	Local:	US$ 9 million	US$ 10 million
	Total:	US$89 million	US$110 million
Terms and conditions:	Amortization period:	25 years	
	Grace period	4.5 years	
	Disbursement period:	4.5 years	
	Interest rate:	OC – variable 30 million (Intermediate Finance Facility (IFF))	
	Inspection and supervision:	1%	
	Credit fee:	0.75%	
	Currency:	U.S. dollars under the Single Currency Facility	

Objectives: The general objective of the program is to enhance equity in basic education by strengthening the SEE's capacity for managing and implementing targeted programs. With a view to accomplishing this objective, the program includes the following specific objectives: (i) improving the educational achievement of students in rural areas, (ii) and marginal urban areas; (iii) improving the educational management of schools, and (iv) promoting initiatives to be developed under the Educational Development Plan (PDE).

Description: A multiphase project is proposed, with a first phase costing US$89 million, to be executed over four years, and a second phase costing US$110 million, to be executed over approximately five years. The use of the multiphase modality is justified given that the first phase will implement new models of education for disadvantaged

populations in rural and marginal urban areas, and these must be evaluated and adjusted before they can be consolidated and coverage expanded.

Component 1. Rural multigrade education (US$34.8 million). This component seeks to improve educational achievement in rural areas, improving access, progression, and basic skills. To this end the component will develop and implement a specific pedagogical model for multigrade rural schools, based on the following principles: (i) active student participation in the learning process; (ii) working in cooperation and with active methodologies; (iii) use of materials that promote independent learning; (iv) flexible promotion from one grade to the next based on the level of academic achievement; (v) ongoing evaluation and self-evaluation; and (vi) a contextualized curriculum.

The component will finance: (i) the printing and distribution of teaching manuals tailored to the needs of rural multigrade schools; (ii) teachers' guides; (iii) packets of classroom materials; and (iv) classroom libraries. It will support the creation of an educational management model for rural multigrade schools that consists of grouping an average of eight to 10 schools in a network that will form a decentralized network board. Each network will have one school that will serve as a base, or microcenter, for the other schools. The component includes a basic set of consumable educational materials for the schools to be provided through the Network Boards. It will also support the development and funding of School Education Projects (PECs) that will combine into Network Education Projects (PERs). It will also fund: (i) specific training workshops for multigrade teachers on the use of educational materials and libraries and (ii) pedagogical seminars for training district specialists.

The component includes funding for investments in infrastructure aimed at two objectives: (a) supplying drinking water and bathroom facilities and rehabilitating existing classrooms in multigrade schools, and (b) expanding classrooms to broaden access to the second cycle of basic education. It will also finance: (i) technical assistance for the General Directorate of Basic Education, to strengthen its capacity to scale up and supervise the rural multigrade model; (ii) an impact assessment of the component activities; and (iii) technical assistance for the Escuelas Normales Superiores [teachers' colleges] to improve the quality of training given to teachers in rural schools.

Component 2. Enhancing educational equity in marginal urban areas (US$27.1 million). This component will reduce the educational disparities between urban schools in middle-income areas and the schools in marginal urban areas. In its first phase, the program will be implemented in the marginal urban areas of Santo Domingo, Santiago,

and La Vega, expanding to all the selected urban schools in the second phase.

Under this component the following will be financed: (i) teacher training workshops, which will be held both before the start of the school year and during the year with in-class support; (ii) learning reinforcement workshops for pupils between second and fourth grade of the first cycle of basic education who are behind in school, and the distribution and printing of related educational materials; (iii) technical assistance to reinforce educational management and the School Education Projects (PECs); (iv) learning resources, which include the creation of classroom libraries for the four grades in the first cycle of basic education, restocking or creation of school libraries, textbooks, and additional educational materials; (v) infrastructure, including the expansion of multipurpose areas and the minor rehabilitation of existing classrooms and bathroom facilities; and (vi) specific actions to serve over-age pupils, especially in the first cycle of basic education, including the printing and distribution of materials for accelerated classes. It will also finance: (i) implementation of the model with technical assistance for the Directorate of Basic Education, training of district supervisors; pedagogical support for teachers from specialized NGOs; and (ii) qualitative and impact assessments of the component activities.

Component 3. Strengthening educational management for equity (US$11.7 million). The objective of this component is to strengthen the distributed educational management system (SIGED), boosting connectivity among the various administrative and pedagogical levels of the SEE, and enhancing the quality of the school system's data and the indicators generated with that data. To this end, the program will finance connectivity between program schools and the districts and SEE headquarters. This connectivity will make it possible to equip the schools with computer tools to strengthen school and pedagogical management. The program will support: (i) extending the SIGED system to the rural network microcenters and to all the schools under component 2; (ii) strengthening the SEE's Data Warehouse; (iii) training SIGED and Data Warehouse users; and (iv) bringing educational computing to the networks of multigrade schools.

Component 4. Competitive Fund for Educational Innovations (US$4.1 million). The objective of this fund is to provide financing, within the framework of the Educational Development Plan, for individual initiatives that originate either from within the public sector or with NGOs that work in the education sector and/or private groups. The financing of these initiatives will help private institutions and NGOs to collaborate in furthering policies and programs regulated by the SEE to enhance the quality and efficiency of basic education. The

fund will finance proposals on a competitive basis, based on specific technical criteria.

Bank strategy in the country and sector:

This program is consistent with the Bank's overall strategy in the Dominican Republic of strengthening institutional capacity for implementing policies and improving the educational level of the country, and with the sustained support that the Bank has given to basic education (see paragraph 1.23).

The Bank's country strategy is aimed at constructing the economic, social and institutional protections necessary to preserve growth and, at the same time, meet the persistent challenge of the outstanding social debt. The core objective of reducing social debt entails not only the implementation of standard social policies, but also a coordinated attack on the limitations of the institutional environment that undermine these policies in the Dominican Republic (see paragraph 1.24).

The Bank's recent strategy in the country and the sector has aimed to: (i) strengthen the professionalization of teachers, through legal reforms in the Teacher Statute and administrative reforms to establish a single teaching record for each employee; (ii) increase the autonomy of schools at both the secondary and the basic levels, (iii) tailor training and education systems to the specific demands of schools, and (iv) develop targeted programs.

Social and environmental review:

Neither the expansion of the marginal urban schools nor the rehabilitation of classrooms in rural schools are expected to have an adverse impact on the environment. The program's operating regulations include technical and environmental mitigation criteria for construction. The environmental mitigation measures have been reviewed and will be applied for this program (see paragraphs 4.19-4.20).

Benefits:

Systemic improvements in the education sector have not managed to generate the same level of benefits for all children. In particular, children in the Dominican Republic's rural areas are in the same situation with regard to educational achievement as was the population of the country as a whole at the start of the 1990s, before the Ten-year Education Plan. The program will introduce a specific model of rural education, so as to bring down high drop-out rates, improve academic achievement, and raise the average level of schooling of rural children by approximately two years in the first phase of the program. The children in marginal urban areas experience educational failure in the form of high rates of grade repetition, which leads to low self-esteem and a vicious circle of low educational achievement.

Focusing the program on children making slower progress in school is expected to bring about the following benefits: (i) increase the rate of graduation from basic education, reducing the educational gap between the poor and non-poor, (ii) raise the average level of schooling of the poor, (iii) raise the poor population's chance of having access to secondary education, (iv) increase the capacity of these population segments to earn higher wages in the labor market, (v) create management capacity within the SEE to promote differentiated education policies, (vi) encourage partnerships between the private and public sector for the purpose of improving education for the poor. All this will additionally enhance the efficiency of the system, reducing the cost per graduate (see paragraph 4.11).

Risks:

Response of the education sector to the educational models. The implementation of these pedagogical models necessitates a change in the institutional culture of the education sector at various levels. For one, it means that the SEE, at the central as well as at the regional and school district levels, must establish productive relationships of mutual support with sector NGOs, if execution is to be successful and institutions are to be strengthened as required for the models to be extended to more schools in the second phase of the program. Secondly, there is a risk that the implementation of the models may be hindered by a weak response and weak participation of the teachers involved in the program. To minimize both risks, the program involved the private sector and NGOs in the preliminary dialogue for program preparation, so as to establish a common basis for dialogue and to bring the parties closer together. Furthermore, preparation and program activities include dialogue seminars for teachers and administrators from participating schools to come to a consensus on the basic principles of the educational models and the instructional materials for each intervention.

Special contractual conditions:

Conditions precedent to first disbursement: evidence must be submitted that (i) the necessary staff have been hired and equipment and facilities procured, so that the UR and the UAUM and the Office of International Cooperation (paragraphs 3.8 and 3.12) can function properly; and (ii) the program's Operating Regulations have entered into force, including, among other aspects, the procedures for administering the transfers of educational supplies to the Network Boards, the PERs, and the Competitive Innovation Fund (paragraphs 3.7 and 3.31).

Conditions precedent to the first disbursement for component 4: evidence must be submitted that the necessary staff have been hired and equipment and facilities procured for proper operation of the UAT and the Competitive Educational Innovation Fund (paragraphs 3.17 and 3.31).

Social equity and poverty: This operation qualifies as a social equity-enhancing project, as described in the key objectives for Bank activities set forth in the Report on the Eighth General Increase in Resources (document AB-1704). The operation also qualifies as a poverty targeted investment (PTI).

Exceptions to Bank policy: As an exception to the procedure of selecting consultants through competitive bidding, it is recommended that the following institutions be hired directly: (i) Fundación Volvamos a la Gente and UNICEF to provide technical assistance in the training of school district supervisors and to support the implementation of the model, and (ii) Sotemari, Inc. to provide technical assistance in the preparation of guides and in training Network Boards, the PERs, and for the decentralized School Boards, their PECs and the education supplies. The first two entities have been supporting the SEE in the pilot implementation of the multigrade model in 300 participating schools. They have extensive knowledge of the model's design elements, they have developed a successful teamwork methodology with the SEE (at the central and regional and school district levels) and they have broad experience and a long history training SEE personnel in the multigrade model and techniques. Sotemari, Inc. has prepared the manuals for the secondary education School Boards and trained these same Boards in the decentralized management (accounting records, audits, etc.) of the program's financial transfers. The SEE has requested the same team that provided technical assistance for standardizing the decentralization procedures and policies. (paragraph 3.11)

Procurement: International competitive bidding will be required for: (i) the construction of works for amounts equal to or above US$1 million; the procurement of related goods and services for amounts equal to or above US$250,000; and (ii) the awarding of contracts for consulting services for amounts above US$200,000. Contracts for goods, works and consulting services for amounts below those indicated above will be subject to the procedures laid out in the Procurement Plan, attached as Annex D to the contract.

I. FRAME OF REFERENCE

A. Socioeconomic framework

1.1 The Dominican Republic has a population of approximately 8.6 million and an average annual population growth rate of 1.8%. Although it already has an age structure typical of a population in demographic transition, a little over 30% of the population is still under 15 years of age. With regard to geographical distribution, over a third of the population lives in rural areas, a figure above the Latin American average of 26%.

1.2 During the 1990s the Dominican Republic was one of the countries with the highest rates of average growth in Gross Domestic Product (GDP) in the world, with an annual rate of over 6%. This trend slowed in 2001, when economic growth was 2.7%, in contrast to the 7.6% registered in 2000. A slightly higher rate of GDP growth of about 3.7% is forecast for 2002.

1.3 It is estimated that the slow-down in growth seen in 2001 put an end to the substantial downward trend in the incidence and severity of poverty registered during the 1990s (the percentage of poor came close to 10%).[1] At the same time, the new economic outlook does not call for a decrease in inequality, which increased during the period of high economic growth. In fact, the poorest 30% of households currently receive only 10.8% of total income, while the wealthiest 20% receive 48%. Moreover, it is estimated that close to a third of the Dominican population still lives in poverty and that in rural areas the incidence of poverty is twice as high as in urban areas.

1.4 With regard to the distribution of educational assets, the most significant inequalities are observed between rural and urban areas, and between the urban poor and the rest of the urban population.[2] While 25% of heads of household in rural areas never attended the basic level of school, only 11% of their peers in urban areas never attended this level. The urban area also presents significant contrasts, as 23% of heads of household among the poorest quintile in urban areas never attended the basic level, compared with 3.8% of heads of household among the wealthiest quintile. There are no substantial differences between women and men in terms of education if one controls for quintile of income.

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[1] World Bank. Poverty Assessment.

[2] Measured in terms of access to basic services, according to education and labor statistics, etc.

B. An analysis of education in the Dominican Republic

1. Organization and funding of the education system

1.5 The General Education Law of 1997 restructured the education system in accordance with the levels described in Table I-1. Basic education is comprised of eight grades divided into two cycles of four grades each. Secondary education includes grades 9 through 12 and is broken down into two cycles of two grades each. The first cycle of secondary education is the same for all students and focuses on the development of general basic skills. The second cycle of secondary education is divided into general, technical-vocational and art tracks. Higher education is provided through universities, professional institutes and other professional development institutions.

Table I-1. The Structure of the Education Sector

Level	Cycles		Grades			
			1st- 4th	5th- 8th	9th-10th	11th-12th
Initial	*Preschool*	At the age of 5				
Basic	*1st Cycle*		From 6 to 9 years of age			
	2nd Cycle			From 10 to 14 years of age		
Secondary	*1st Cycle*				From 15 to 16 years of age	
	2nd Cycle					From 17 to 18 years of age

1.6 The Secretariat of State for Education (SEE) centrally manages 75% of the schools that offer basic education (1st and 2nd cycles) while the private sector and the subsidized private sector account for the remaining 25%. Fifty-eight percent of basic education schools are concentrated in rural areas while 42% are located in urban areas. Most rural schools are small in terms of the total number of students enrolled. More than 50% are multigrade[3] and average 24 students per school; the majority have just one or two teachers. The low number of teachers per school along with low pass rates in fourth grade have made the situation such that only 44% of rural schools offer schooling beyond fourth grade.

[3] Multi-grade classrooms are those where children of different grade levels are taught by the same teacher in the same classroom.

1.7 As regards funding for public education, in the 1990s the process of marked decline that had characterized the seventies and eighties was reversed. Public spending on education had decreased from 2.8% in 1970 to just 0.97% of the GDP in 1991. As a result of those spending cuts, teachers' average real wages per shift shrank to just US$50 monthly at the beginning of the nineties and the rate of teacher attrition was 7% annually. Additionally, at the beginning of the nineties, non-salary related spending on educational inputs was next to nil.

1.8 Since the launch of the Ten-year Education Plan in 1992, the SEE's budget has increased annually to where it represented 2% of the GDP in 1999[4]. Nevertheless, this figure is lower than the average in other Latin American and Caribbean countries and lower than the figure of 4% of the GDP provided for in the General Education Law. More than 95% of the SEE's current budget is earmarked for salaries; this leaves a narrow margin for investment in and the procurement of other inputs and services which could contribute to improving the equity and quality of teaching.

2. The government's strategic plan for education

1.9 The transformation of the education system begun in 1992 with the Ten-year Education Plan (1992-2002) culminated in the passing of the General Education Law of 1997[5]. The General Education Law defined the guidelines for introducing substantial changes into the structure and functioning of the education system. Currently, the SEE is promoting the new Education Development Plan 2002-2012. This new ten-year plan highlights the pending issues that should be given top priority. Most notable amongst these are: (i) broadening coverage and increasing internal efficiency at the basic level[6], (ii) improving the quality of rural education, (iii) reducing inequality in terms of access to and the quality of education, (iv) reforming initial education for basic level teachers as well as training and the evaluation of teaching competencies, (v) disseminating information technology, and (vi) modernizing and decentralizing management.[7]

3. Achievements and lessons learned from previous operations

1.10 In order to sustain the transformation process initiated at the beginning of the 1990s, the Bank supported the Dominican government in the development of basic

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4 World Development Indicators, 2001.

5 Ten-year Education Plan (1992). National Education Congress. Santo Domingo, D.R.

6 The average number of years that it takes to graduate a student is close to 12 instead of 8, which produces a loss in efficiency of approximately US$800 per student.

7 Dr. Ángel Hernández, Undersecretary of State for Education. "Lanzamiento del Plan Nacional de Desarrollo de la Educación Dominicana. 2002-2012" ["Launching the National Development Plan for Dominican Education, 2002-2012"]. Mimeo.

education by way of two operations: the Basic Education Improvement Program I (859/SF-DR, approved in 1991), for US$29.3 million, and the Basic Education Improvement Program II (879/OC-DR, approved in 1996), for US$52 million, funded jointly with the World Bank.

1.11 Through the first operation, conceived before the Ten-year Education Plan (1992-2002), the Bank assisted the Dominican government by making up for shortfalls suffered by the sector following the economic crisis of 1990. This operation's achievements reached or surpassed the goals set for it (see Table I-2) and helped boost enrollment at the basic level; gross coverage at that level rose from 90% to 95% after more than a decade of stagnation.

Table I-2.
Main achievements of the Basic Education Improvement Program I (859/SF-DR)

- **School rehabilitation component**: 1,711 classrooms were repaired (164 schools)
- **School maintenance component**: Maintenance was done on 3,424 classrooms (688 schools) and under this same category, 2,200 community committees were trained to assist with the maintenance of schools.
- **Teacher training component**: Training time was increased from 250 to 1,200 hours, and 7,000 teachers and 800 directors and supervisors have been trained.
- **Teaching materials and equipment component**: 91,239 chairs, 2,000 chalkboards, 2,000 tables, 1,947 modular seats for teachers, 1 recording laboratory and 33 computers have been purchased and 4,200,000 textbooks and 4,700,000 workbooks have been printed and distributed to date.

1.12 The Basic Education Improvement Program II was developed after the Ten-year Education Plan and its central focus was curriculum reform.[8] This was an ambitious program in terms of the goals it aimed to achieve and the variety of actions it proposed; because of this, there were delays in its execution. Nonetheless, the midterm evaluation conducted in March of 2000 indicates that significant progress was made in the anticipated areas, especially as regards the curriculum reform process, the increase in graduation rates and spending per student (see Table I-3). Additionally, the administrative capacity of the SEE increased because the executing units were eliminated and consolidated into a single Coordinating Unit.

[8] Mid-term Evaluation. Loan No. 897/OC-DR.

Table I-3
Outcome Indicators for the Basic Education Improvement Program II (879/SF-DR)

Original Goals	Achievements
1. Reduce grade repetition rates from 13% to 10%.	1. Grade repetition rate for 2000: 10%
2. Increase enrollment rates from 92% to 97%.	2. Enrollment in Basic Education in 2000: 98%
3. Increase graduation rates from 25% to 50%.	3. Graduation rate for 2000: 49%
4. Increase spending per student from US$115 to US$186.	4. Spending per student in 2000: US$193
5. Increase administrative capacity.	5. Educational Management System working in Educational Regions.
6. Appropriate budgeting procedures.	6. SIGFA piloted in the SEE (an indirect outcome of the program).

1.13 With these two operations the Bank supported the education sector in reestablishing minimum balances of coverage and quality teaching at the beginning of the nineties and later in modernizing the sector and reforming its curriculum. In spite of the progress made, poor academic performance and low levels of internal efficiency in basic education persist. Specifically, general improvements made have not been enough to bridge the educational gaps and eliminate inequalities for the poorest groups.

C. The challenge of equity in basic education

1.14 Investments in education have resulted in significant overall improvements in basic education. Currently, the Dominican Republic has a gross rate of basic schooling of 137% for the first cycle and 78% for the second cycle; both rates compare favorably to several countries of the region with either similar or higher income levels. The system's internal efficiency has improved significantly given that at the beginning of the 1990s, only 22% of students entering first grade managed to graduate from eighth grade while by the end of the decade, it is estimated that approximately 53 out of every 100 students who enter first grade complete eighth grade.

Table I-4. Internal Efficiency Indicators for the Basic Level

	1st Cycle			*2nd Cycle*		
	Urban	**Marginal**	**Rural**	**Urban**	**Marginal**	**Rural**
Enrollment Distribution (%)	40.1	18.6	41.4	50.1	18.1	31.9
Annual Grade Repetition	5.3	5.2	12.5	4.4	6.5	10.3
Annual Drop-out Rates	8.8	11.7	12.4	10.5	14.1	14.1
Over-age (%)	36	39	44	46	48	59
Graduation Rates (%)	80		60	65		45

1.15 The analysis of gross coverage and the internal efficiency of the system reveal that improvements have still not effectively reached schools in the rural and marginal urban areas (Table I-4). Average grade repetition and drop-out rates in rural areas for both basic education cycles are significantly higher than in urban areas. These rates indicate that only 60% of students who enroll in rural schools graduate from fourth grade while nearly 80% of those who enroll in urban schools complete this grade level. The differences are even more pronounced in the second cycle given that the probability that a fourth grade graduate in a rural area will graduate from eighth grade is significantly lower than for a similar graduate of an urban school.

1.16 The basic education offered in rural areas has two peculiar characteristics which led to this situation and which were not taken into account in the pedagogical models, curriculum reform and the overall investment made under the Ten-Year Plan 1992-2001. Firstly, more than 50% of rural schools are multigrade. This means that one teacher handles several grade levels during the same shift. And secondly, only 44% of rural schools offer the two complete cycles of basic education. Specifically, multigrade schools lack specific educational materials for students and teachers and appropriate support for teachers. Moreover, they fail to incorporate active methodologies, flexible promotion, or methods of evaluation. In addition to grade repetition and rural drop-out factors, the decline in enrollment in the second cycle of basic education in rural areas is largely due to a lack of schools which offer this system and a lack of planning for channeling fourth grade graduates from small schools into larger schools in the area that do offer the second cycle of basic education.

1.17 Although marginal urban schools' grade repetition rates are similar to those of urban schools, drop-out rates of the former are significantly higher. What makes marginal urban drop-out rates unique is that the high rates remain relatively the same from second to eighth grade and thus, students in the marginal urban sector benefit far less than students in rural areas from the second chance that the system permits via grade repetition. In contrast to the other subsectors, academic failure in marginal urban areas takes the form of students' premature abandonment of the system.

1.18 The loss of these children is related to educational risk factors that slow down cognitive development as well as social risk factors that affect their emotional development. This scenario is worsening because the schools that serve these children are those that are worst off as regards both inputs and quality of service. In addition to infrastructure and learning resources limitations, these schools lack: (i) teacher training that responds to specific problems, (ii) remedial and learning reinforcement activities for students, and (iii) attention to over-age students.

1.19 These grade repetition and drop-out patterns contribute to the large number of over-age students in basic education in the Dominican Republic. Currently, approximately 45% of children enrolled in fourth grade are three or more years older than the appropriate age (nine years old). This phenomenon not only hurts the probability of academic success amongst the over-age students themselves, but they also disrupt the school atmosphere for their classmates and require special attention on the part of the teachers.

1.20 Although learning levels are low in basic education irrespective of a school's location, standardized test results suggest that the quality of education in rural and marginal urban schools is lower. If one takes into account that these two subsectors lose a much higher percentage of students than do urban schools before these students even reach fourth grade, one could infer that only relatively more privileged pupils reach this grade in rural and marginal urban schools. In that case, greater achievements in learning amongst the latter would be expected. However, in practice this is not the case, given that the most successful students in rural and marginal urban schools only reach levels of achievement equal to those of students in urban schools.

1.21 The information presented indicates the need to support policies and programs that respond to specific deficiencies owing to the inequalities generated through a process which has allowed the system's overall indicators to improve. Emphasis must be placed on specific processes such as new teaching methodologies adapted to solving specific problems and investments in educational inputs (including infrastructure) which make the introduction of new methodologies possible and at the same time improve possibilities for access to the second cycle of basic education in rural areas.

1.22 One key factor for the implementation of these specific strategies is that schools generate information and that this information be analyzed centrally and used to provide feedback to schools and to guide the implementation of policy. These programs require technical supervision by a specialized team and the generation of indicators that are both timely and relevant for overseeing the interventions. The SEE has already successfully implemented a pilot project for the Distributed Educational Management System (SIGED) which, based on the connectivity of the SEE's different administrative-pedagogical levels, has boosted the quality of the school system's data and the indicators generated from those data. The introduction

of the SIGED system has also allowed schools to function in a more decentralized fashion, giving way to both educational and administrative innovations.

D. Bank strategy for the country and sector

1.23 This program is consistent with the Bank's overall strategy of improving the level of education of the Dominican Republic and with the sustained support that the Bank has given to the development of basic education. In addition to the two operations for the modernization of basic education (859/SF and 897/OC), the Bank is financing an operation for the modernization of the secondary level (1289/OC) and a technical cooperation for the reform of the laws governing teaching (ATN/SF-7369).

1.24 The Bank's strategy in the country is aimed at constructing the economic, social and institutional protections necessary in order to preserve growth and, at the same time, confront the persistent challenge of the outstanding social debt. The central objective of reducing social debt entails not only the implementation of proven social policies, but also a coordinated attack upon the limitations upon the institutional environment that undermine these policies in the Dominican Republic.

1.25 The Bank's recent strategy in the country and the sector has aimed to: (i) strengthen the professionalization of teachers, through legal reforms to the Teaching Statute and administrative reforms to establish a single teacher work history for each employee; (ii) increase the autonomy of schools at both the secondary and the basic levels, (iii) tailor training and education systems to the specific demands of schools, and (iv) develop programs targeting specific needs.

1.26 The program for the modernization of secondary education (1289/OC) delayed its eligibility because the loan needed to be approved by the parliament. Nevertheless, the SEE has been working along the strategic lines of the program, particularly in terms of decentralizing management of schools, serving at-risk youth, and optimizing the use of infrastructure (see project performance management report (PPMR)). The loan has begun to be disbursed and the SEE is expected to execute the actions called for by the program within the expected time frame.

1.27 Technical assistance for reform of the law governing teaching (ATN/SF-7369), has successfully supported the SEE in drafting a proposal of labor regulations that are now embodied in the new Teacher Statute. The proposal contains fundamental elements for guaranteeing the quality of human resources in the sector, such as the certification of competencies and a system of merit bonuses. The new Teacher Statute has just been approved by the National Council of Education and accepted by the country's teachers' union.

1.28 The government has requested the Bank's support for the new Educational Development Plan and in particular for enhancing equity in basic education through

two operations. First, technical assistance for the design and pilot run of initiatives targeting the basic level (TC-01-12-00-9). Second, the financing of the program presented in this document for equity in basic education, which benefited from the activities designed with that technical assistance. The Program was included in the Country Document (GN-2153-3), of 19 July 2001 and is in keeping with the Bank's strategy for basic and secondary education.

E. Program strategy

1.29 The efforts of the last ten years in basic education have centered around: (i) curriculum reform; (ii) improving the conditions under which schools operate by providing inputs (textbooks, workbooks, teacher manuals, libraries, improvements to infrastructure, teacher training); (iii) the professionalization of teachers and the passing of the new Teacher Statute; (iv) the strengthening of the SEE's management processes; (v) stimulating participatory processes through the establishment of parent associations and the training of stakeholders. This new stage is conceived within the framework of the 2002-2012 Educational Development Plan (PDE), within a context of continuity, but also with a change in emphasis, shifting the focus of the Program toward the need to reduce the profound internal inequities in the Dominican education system.

II. THE PROGRAM

A. Objectives

2.1 The overall goal of the program is to enhance equity in basic education by strengthening the SEE's capacity for managing and implementing targeted programs. With a view to accomplishing this goal, the program includes the following specific objectives: (i) to improve the educational achievement of students in rural areas, (ii) and marginal urban areas; (iii) to improve the educational management of schools, and (iv) to promote initiatives to be developed under the Educational Development Plan (PDE).

Table II-1. Expected Impact Indicators

- A 5% increase in the level of learning in language and math in the 3rd and 4th grade in rural multigrade schools with respect to the control group.
- Increase in the rate of graduation from the first cycle of rural basic education from 60% to 74% in participating multigrade schools.
- A 10% increase in the level of learning in language and math in the 4th grade in marginal urban schools with respect to the beginning of the program.
- Increase in the rate of graduation from the second cycle of basic education in the marginal urban sector from 35% to 49% in participating schools.

B. Program structure

2.2 The program is defined as an operation to support the basic education sector in two phases; the first for the sum of US$89 million, and the second for the sum of US$110 million, to be executed over approximately nine years. The use of the multiphase modality is justified given that during the first phase, new models serving disadvantaged populations will be implemented and must be evaluated and adjusted prior to being consolidated. The activities to be executed during the second phase will be similar to those included in the first phase, with adjustments resulting from the evaluation of the first phase, and will consolidate and extend the rural and marginal urban initiatives to provide greater coverage. The first phase will last four years and will concentrate efforts on promoting policies and investments to boost the educational achievement of the most disadvantaged populations and narrow the education gap for these groups. The second phase will last five years and will adjust the interventions based on the assessments carried out in the first phase.

2.3 The triggers that will be evaluated in making a decision regarding the processing of a loan for Phase 2 are listed in Annex III and include the following quantitative and qualitative elements: (i) the mid-term evaluation must include the implementation of the rural multigrade model and recommendations for improving execution in the second phase, (ii) the impact assessment of the rural multigrade model must show an improvement in the rate of graduation from the fourth grade in program schools

of at least 10 percentage points, and a significant increase in the levels of learning in language and math with respect to the control group, (iii) the mid-term evaluation must include the implementation of the model of assistance to marginal urban schools and recommendations for improving execution in the second phase, (iv) the impact assessment must show average reductions in the rate of repetition of the third grade of at least 20% and a significant increase in the levels of learning in language and mathematics with respect to the ex ante level, (v) the goals of physical investment in SIGED sites must have been met and the schools must be using the system of educational management indicators for decision-making based on the mid-term evaluation, and (vi) disbursement of 50% and commitment of 75% of the resources corresponding to the first phase.

1. Component 1: Multigrade Rural Education (US$ 34.8 million)

2.4 The goal of this component is to increase educational achievement in the rural sector, improving access, progression, and the achievement of basic competencies. To this end, the component will develop and implement a specific pedagogical model for multigrade rural schools. The model includes specific instructional materials for students and teachers and provides network support for rural teachers. The model is based on: (i) active student participation in the learning process; (ii) cooperative work and active methodologies; (iii) use of materials that promote independent learning; (iv) flexible promotion based on the level of academic achievement; (v) ongoing evaluation and self-evaluation; and (vi) a contextualized curriculum.

Table II-2. Multigrade Education by Region and School District

Education Regions	Total Multigrade Schools	Grade 1-4 enrollment	Grade 5-8 enrollment	Total Multigrade enrollment
San Juan de la Maguana	208	10,089	623	10,712
Azua	168	7,755	1,205	19,672
La Vega	184	8,114	1,552	29,338
San Francisco de Macorís	170	6,632	958	36,928
Barahona	136	6,029	609	43,566
Higuey	144	6,136	596	50,298
San Pedro de Macorís	148	7,661	710	58,669
Santiago	162	5,503	1,061	65,233
Mao	108	3,526	1,004	69,763
Nagua	145	6,614	587	76,964
Cotui	127	6,305	668	83,937
Monte Plata	125	5,607	667	90,211
Monte Cristi	105	4,001	698	94,910
Puerto Plata	132	5,552	807	101,269
San Cristóbal	90	4,683	820	106,772
Santo Domingo	24	1,600	275	108,647
Total	**2,176**	**95,807**	**12,840**	**108,647**
Multigrade enrollment as percentage of rural enrollment				**25%**
Multigrade schools as percentage of total number of schools				**50%**

2.5 The first phase of the program will be implemented in the regions and school districts with a greater number of multigrade schools (see Table II-2), where enrollment in these schools is concentrated in grades one through four. In the second phase the program will expand coverage to the second level of basic education, increasing access to the second cycle of this level. The higher concentration of schools per district will enable the program to expand coverage to the greatest number of multigrade schools while at the same time practicing greater supervision over these schools. This component is expected to reduce the drop-out rate in the first cycle, and raise the rate of graduation from the fourth grade and the level of learning in reading, writing, and math in the third and fourth grades. These improvements in the internal efficiency of the first cycle in rural schools are in turn expected to have an effect on the demand for the second cycle of education, and that it will increase from year to year in participating schools.

a. Teaching manuals, classroom libraries, and instructional materials (US$8.1 million)

2.6 The program will finance the printing and distribution of about 600,000 learning guides adapted to the needs of multigrade rural schools for the basic subject areas (a set made up of eight guides per two students) for second to fourth grade, and two guides for the first grade (one that integrates language, social science, and the

natural sciences, and another for math). It will also finance the design and publishing of the guides for the basic subject areas for fifth to eighth grade and the printing and distribution of 150,000 guides for the second cycle of the basic level. It will finance the printing and distribution of 22,000 teachers' manuals, including their design. There are two types of teachers' manuals, one on school organization, the community, and fundamental concepts of the model, and the other on how to use the learning guides and instructional materials. As part of the program preparation, the guides for grades one through four have been revised. Funding will cover one packet of materials per classroom, for a total of approximately 6,600 classrooms, to support the learning process in the four basic subject areas. These materials will include posters, maps, a globe, geoboards, and educational games, among other items. Further, funding will provide a total of close to 6,600 classrooms with classroom libraries, containing approximately 100 books each. Each library collection will include children's literature, anthologies, stories, fables, children's dictionaries, atlases, and documentary books for students, teachers, and the community on topics appropriate to a rural setting.

b. Rural educational management networks (US$1.6 million)

2.7 The program will support the creation of a model of educational management for multigrade rural schools. The model involves grouping together an average of 4 to 10 schools into a network, which will set up a decentralized network board[9] as a strategy for coordination and participation of the Network's schools. The schools selected for the program make up close to 100 networks. Once a Network Board is formed, financing will be channeled through it for a basic set of consumable educational materials[10] costing no more than US$1 per student per year. Funds will be transferred upon written request to the SEE from the Network Board. This request must indicate the number of students per grade and per school for the purposes of establishing the allocation per student. Also developed and financed will be School Education Projects, which in this case would become Network Education Projects (PERs). The representatives of each of the schools will draw up the PERs together every four years under the coordination of the Network Board, and the projects will be implemented on an annual basis, with the annual plan submitted to the SEE for funding. The maximum funding for each PER for the four years of the first phase shall not exceed US$4,000. Resources will be distributed among the different schools as a function of the proposals submitted. Also, annual funding of the PER for the second year of execution will depend on the results obtained in the verified self-assessment of the Network's performance. The SEE will provide ongoing technical and administrative assistance to the schools through

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[9] The Ley General de Educación [General Education Law] calls for the creation of School Boards as the administrative-pedagogical unit for each school. Schools with fewer than 300 students cannot form a board, unless it is as part of a network.

[10] Paper, crayons, pencils, etc.

training, monitoring, evaluation and feedback activities, and to the Network Board through a specialist delegated by the district.

c. Training for specialists and teachers (US$2.4 million)

2.8 Each Rural Network will have one school that will serve as a base, or micro-center, for the other multigrade schools. Each micro-center will be the monthly meeting place for the Network's teachers and the place where support seminars will be held. Further, the program will finance three specific training workshops for the 5,500 multigrade teachers: first, an introductory workshop; second, a workshop on using educational materials and libraries; and third, a workshop on using and adapting learning guides and evaluation processes. Each workshop will last one week, during which teachers will be provided with room and board and facilitators will receive per diem. Additionally, the program will finance pedagogical seminars, to be held twice a year, for training district specialists.

d. Infrastructure and furniture (US$17.5 million)

2.9 The infrastructure measures have two objectives: (i) providing water, bathroom facilities, and rehabilitation of existing classrooms for the multigrade schools, and (ii) expanding classrooms in the Network's neediest schools. The idea is to improve the school environment, adapting it to the needs of the multigrade model. Approximately 2100 classrooms in the 100 networks will be rehabilitated. For the purposes of identifying the particular needs of each district, a microplanning study will be financed to survey the infrastructure and inventory of needs of each school. Moreover, suitable furniture will be provided for the multigrade classrooms, which will be equipped with tables for working in groups, chairs, and four shelves per classroom.

e. Support for implementing the model (US$1.2 million)

2.10 The program will fund technical assistance to the General Directorate for Basic Education to strengthen its capacity to extend and monitor the rural multigrade model. In addition, it will finance bibliographical material, equipment (television and VCR), and motorcycles and three vehicles so that the district specialists can provide effective consulting to the schools. The program will also finance specialized technical assistance in rural multigrade education to strengthen and certify the workshops and for the process of advising and supporting the teacher. Additionally, it will finance technical assistance to support the supervision and monitoring of the component by providing consulting during strategic planning and preparation of the annual operating plans, as well as for conducting qualitative studies and systematizing the process.

f. Evaluation **(US$400,000)**

2.11 Technical assistance will be financed for conducting an impact assessment on this component. The assessment has a quasi-experimental design, in which a sample of multigrade rural schools participating in the program will be compared with non-participating schools of similar characteristics. The measurement of third and fourth grade learning levels of children in schools with and without the program will be supplemented by a survey of factors associated with educational performance, such as the socioeconomic characteristics of the children's homes and characteristics of the school. The study will be conducted by a firm independent from the SEE, and the first measurement will be conducted at the beginning of the first school year.

g. Initial teacher training for the basic level (US$3.6 million)

2.12 The majority of teachers that are trained in teachers' colleges come from and return to work in rural areas. To enhance the quality of the training given to the great majority of rural teachers, the program will finance technical assistance to support the process of professionalization for the Instituto Superior de Formación Docente [Teachers' College] (ISFD). This technical assistance will be aimed at developing the specific regulations for implementing the new guidelines for these colleges, reviewing the current curriculum proposal and adapting a new curriculum proposal, developing ISFD admission tests, establishing four libraries and the necessary physical infrastructure, training personnel in educational management, and introducing an educational management computer system. Financing will also be provided for rehabilitation of infrastructure at two ISDF offices.

2. Component 2. Enhancing educational equity in marginal urban areas (US$27.1 million)

2.13 The objective of the component is to reduce the educational disparities between urban schools in middle-income areas and the schools in marginal urban areas. Toward that end it seeks to improve the quality of learning, especially in language and math, reinforcing the cognitive development of children between pre-school and the eighth grade. The component for marginal areas will assist marginal urban schools through six concurrent approaches: (i) teacher training workshops, (ii) learning reinforcement workshops for pupils, (iii) reinforcement of educational management, (iv) learning resources, (v) infrastructure, and (vi) helping over-age pupils.

2.14 In its first phase, the program will be implemented in the marginal urban areas of Santo Domingo, Santiago, San Pedro de Marcoris and/or La Vega, in

approximately 129 schools[11]. These schools have been selected because they are marginal urban schools and because their third-grade repetition rates are higher than 10%. The Program will extend to all of the selected urban schools in a second phase. The schools will remain in the program for at least three years from the date they enter it. Table II-3 shows the universe of schools that qualify under these criteria as of the date of the loan document. The list of potential schools to benefit from the interventions may be reviewed every two years based on updated official data on third grade repetition rates. This component is expected to reduce the rate of repetition ex post for each one of the schools and raise the level of learning in reading, writing, and math.

Table II-3.
Universe of Eligible Schools

Educational Regions of the Country	Total Eligible Schools	Total Enrollment	Santo Domingo School Districts	Total Eligible Schools
Azua	38	35559	Villa Mella	7
San Cristóbal	33	26575	Sábana Perdida	2
Santiago	32	41859	Santo Domingo Nor-Este	6
La Vega	31	27201	Santo Domingo Sur-Este	10
Mao	30	17826	Distrito Nacional Sur-Este	2
Barahona	29	23336	Los Alcarrizos	11
San Pedro de Macorís	28	32051	Santo Domingo Central	9
San Francisco de Macorís	26	22773	Santo Domingo Sur-Central	2
San Juan de la Maguana	21	14857	Santo Domingo Nor-Oeste	12
Monte Cristi	16	9476	Santo Domingo Oeste	15
Cotui	15	9589		
Higuey	13	10049		
Puerto Plata	13	12710		
Nagua	12	8681		
Monte Plata	10	7087		
Santo Domingo	76	89449		
Total	**423**	**389078**		**76**
% of total eligible enrollment covered in phase I				**41%**
% of all eligible schools covered in phase I				**33%**

a. Teacher workshops **(US$1.4 million)**

2.15 Two types of training will be financed for the teachers at the schools that qualified for this component. The total number of teachers in the selected schools is

[11] In the second half of the first year of execution the program is expected to incorporate 34 schools in Santo Domingo (Districts of Villa Mella, Santo Domingo Noroeste, Santo Domingo Oeste); in the second and third year of execution the Program will be consolidated in the remaining 42 Santo Domingo schools and Program coverage will extend to 32 schools in Santiago. In the fourth year of execution, some of the schools in La Vega will be incorporated.

approximately 5,200. The first training is an initial two-week seminar held before the start of the school year. The first week retreats will be held for groups of schools (about ten schools per group) during which the district supervisors, together with those in charge of the program at the central level, will introduce the program, its selection criteria (repetition problems faced by the school), courses of action, and instructional methodologies. The second week consists of in-school training seminars that will emphasize educational planning, classroom and curriculum development issues. The second type of training will be held during the school year and consists of in-classroom support from outside observers (district supervisors and specialized NGOs) who help the teachers to improve their classroom performance. Teachers are expected to receive about 23 visits during the school year (or one every two weeks). In addition, the teachers will have monthly meetings to organize educational management in the schools, among other items of business. The teachers may be sent by the observer teams to attend Saturday courses in thematic areas of language and math. In addition to the direct cost of the specific trainings, the program will finance the printing and distribution of 15,600 specific teaching guides that will be handed out to the teachers during the first training seminar and that will serve as a work tool during the school year. These guides have been put together as part of the program preparation.

2.16 The teachers may be sent by the support teams to attend Saturday courses in thematic areas of language, math, and pedagogical processes. These courses will last four months, three hours per session, and will be taught by specialized entities. Approximately 1,200 teachers (24% of all teachers) may be sent to the Saturday courses.

b. Learning workshops **(US$2 million)**

2.17 Workshops will be held for children in grades first through four of the first cycle of basic education who are behind in school. For children enrolled in first and second grade, priority will be given to those who had no pre-school education and who do not receive support at home. For the third and fourth grade, priority will be given to children who have repeated a grade and those who are behind in school. The workshops will be held twice a week for two hours each, between January and June of the school year[12]. For children attending morning school, the workshops will be held in the afternoon, and vice versa for the children attending school in the afternoon. The workshops will be run by monitors, young people up to 25 years of age with experience in community work, and preferably the ones who come from the same community where the school is located. An initial training for monitors will be financed, as will the printing and distribution of approximately 60,000 guides for students and about 5,000 guides for monitors. Both guides have been

[12] During the first two months of the school year (September and October) teachers will be expected to assess in the classroom which children need more help.

designed as part of the program preparation. The program will also finance the cost of initial training and, decreasingly, the recurring cost of paying compensation for the monitors.

c. Educational management (US$1.1 million)

2.18 To improve the educational management of these schools, the SEE will redistribute teaching staff so that the teachers that work two shifts in two different schools can work both shifts at the same school. Fewer than half of the teachers that teach one shift at one of these schools work the other shift at another school. Also, the program will finance School Education Projects (PECs) to be developed in the three years that the school remains with the program. The PECs must include progress indicators to be evaluated annually in the initial training seminars (see "Teachers workshops"). The PECs may obtain program funding in an amount not to exceed US$3,000. The eligibility criteria and processes for applying for funding are included in the program's operating regulations. Further, the schools selected under this component will receive the distributed management system (SIGED) under Component 3. Funding will also cover a basic set of materials, i.e. the transfer of money that each of the schools will receive for the annual purchase of consumable materials required to have the school and teaching environments needed to support the teaching and learning processes. The materials will be given to each school, in the amount of US$1 per student per year.

d. Learning resources **(US$4.9 million)**

2.19 The program will provide these schools with classroom libraries for the four grades of the first cycle of basic education, restock or create school libraries, prepare, print, and distribute textbooks for the two cycles of basic education, and provide educational software and consumable instructional materials for the TAPs and for over-age classrooms.

e. Infrastructure **(US$16 million)**

2.20 The majority of schools do not have a multi-purpose room where they can hold extracurricular activities. This creates a serious physical restriction for holding the learning workshops (TAPs) and for serving lunch to those children participating in the TAPs. The program will finance the expansion of one to two multi-purpose rooms, depending on the school. One of the rooms will serve as a multi-purpose room, for holding TAPs, and teachers workshops among others. The second room will be designated as a learning resource center, which may include a computer lab and/or library. Also included are the cost of expanding an additional classroom for over-age students and the minor rehabilitation of other classrooms in the school and of existing bathroom facilities.

f. Assistance for over-age students (US$700,000 million)

2.21 School enrollment figures for the basic level show large numbers of over-age pupils, especially in the first cycle. The program will pursue various policies to help over-age students. First, all students over 15 who are in the first cycle of basic education will be moved to adult education classes. Second, those children who are three or more years older than the appropriate age for the grade in which they are enrolled will be sent to accelerated education workshops, so that they may be placed in the appropriate grade. The SEE is designing appropriate pedagogical materials based on the Sao Paulo, Brazil, model of accelerated classes. The program will finance the printing and distribution of materials for accelerated classes and training and teacher support for those classes.

2.22 In addition to the six lines of action for the schools, the component will finance the following activities:

g. Support for implementation of the model (US$500,000)

2.23 The model of special assistance proposed in this component requires the specific strengthening of the supervisory levels of the SEE and reinforcement in the support provided to schools. The program will finance technical assistance to the General Directorate of Basic Education to strengthen its capacity to monitor the component. Moreover, it will finance the training of the district supervisors and the cost of transportation and per diem for an effective supervision of the school. Further, the program will finance contracting NGOs specialized in the education sector to strengthen pedagogical support for the schools through in-service teacher training (see "Teachers workshops").

h. Evaluation **(US$500,000)**

2.24 Funding will cover technical assistance for conducting two studies: (i) a qualitative study on the implementation of the component, and (ii) an assessment of the component's impact on the rate of repetition in the first cycle of each of the schools and on the level of learning in math and language in a sample of the 104 schools to participate.

2.25 The qualitative diagnostic study on the perceptions of the education community (teachers, tutors, students, and families) with regard to the marginal urban model will be conducted at the end of the second year of implementation. The objective of the study is to identify the level of satisfaction of the educational community with the model's interventions and to identify its strengths and weaknesses. The results of the study will be used to evaluate implementation during the first phase and to make corrections to the model before the second phase of implementation. The study will involve ten focus groups (one per district) involving families whose

children attended the participating schools, and ten groups comprised of teachers and tutors.

2.26 The objective of the impact assessment for the component is to determine if the model was successful in reducing the high rate of grade repetition in these schools and in increasing the level of learning of children in the fourth grade. The level of learning will be measured through an academic achievement test[13] administered during the first year the model is implemented, and will be measured a second time in the third year of implementation. In addition to the tests, information will be gathered regarding the socioeconomic level of the families and the characteristics of the schools, characteristics that might affect the level of learning of the students. Lastly, the study should utilize the administrative information about over-age pupils, repetition, drop-out rates and promotion by grade and by gender for each school to verify changes to the level of outcomes.

3. Component 3. Strengthening educational management for equity (US$11.7 million)

2.27 International experience shows that targeted programs require technical oversight on the part of a specialized team and the generation of timely and relevant indicators for the monitoring of interventions. The objective of this component is to strengthen the Distributed Educational Management System (SIGED) by boosting connectivity among the various administrative and pedagogical levels of the SEE, and enhancing the quality of the school system's data and the indicators generated with that data. To this end, the program will finance connectivity between Program schools and the districts and SEE headquarters. This connectivity will make it possible to equip these schools with computer tools that will strengthen school and pedagogical management.

2.28 Among the activities entailing institutional strengthening, the Second Program financed the introduction of the SIGED system at the central and district levels and at 200 schools to optimize the flow of information between the schools and central headquarters. The utilization of SIGED has helped to reduce inconsistencies in information, reduce the administrative costs of gathering that information, and facilitate feedback to the schools based on the information that they themselves provide.

a. Extension of SIGED to schools (US$6.8 million)

2.29 The program will extend the SIGED system to a group of schools that serve poor populations, including all schools with a School Board, a sample of schools from

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[13] Based on the 3rd and 4th grade achievement tests developed in OREALC's *Laboratorio de la Calidad* [Quality Laboratory] Program.

the rural networks in Component 1, and all the schools in Component 2. It will finance the fixed costs of connecting 700 schools, specifically: 200 network schools, 120 Component 2 schools, 180 marginal urban schools and 200 rural schools offering the second cycle of basic education. Based on a feasibility study, four alternative technology solutions will be used for connectivity: Dial-Up, direct Frame Relay, wireless Frame Relay, and DSL. The variable costs of connectivity will be financed decreasingly over time. A computer, a printer, and a voltage inverter will be funded for each school. To ensure proper maintenance and use of the SIGED system, training will be given to the competent personnel at each school and technical assistance will be contracted for the design and implementation of a Help Desk. The program will finance the adaptation of SIGED to the needs of the ISFD as well as its implementation.

b. Strengthening the Data Warehouse (US$800,000)

2.30 The information produced by the SIGED is stored in the SEE's Data Warehouse, physically located in the servers at the headquarters in Santo Domingo. This site contains all the key information for the functioning of the SEE, both at the central level and the school level, including personnel salary and work history data, national test scores, and personal data on the pupils enrolled in the system. The importance of this information requires that a backup system (replication) be set up at a site away from headquarters. The program will finance the equipment for backing up server capacity, the storage area network and the agent-based solutions for SQL, Exchange, OpenFiles and Oracle. In addition, for the purposes of maintenance and better utilization of the Data Warehouse, the SEE will create an Educational Intelligence Unit (UIE). The UIE will provide individual technical support to users and add new functions to the system. The UIE will be made up of an analyst familiar with relational databases and two developers familiar with C# and web development.

c. Training of users **(US$1.8 million)**

2.31 So that they can use SIGED and the Data Warehouse effectively, users will be given training in basic computer skills, use of basic office software, and on the specific applications (SIGED and Data Warehouse). Around 10,000 SEE employees will be trained, including directors, teachers and administrators at the schools (priority will be given to personnel from the schools participating in Components 1 and 2 of the Program), the districts, and SEE's central offices. The training will be given using in-class methods combined with support and reinforcement with manuals and tutorials on magnetic media. The training will be a public/private mix: given by contracted private providers under the management of experts from the SEE's Office of Information Technology. Whenever possible, trainings will be held in space belonging to the SEE, whether it is at regional or district offices or at the schools themselves if they have the necessary infrastructure.

d. Educational computing pilot project (US$2.3 million)

2.32 The connectivity of the participating schools will constitute the basis for a pilot project in educational computing. The program will finance computer laboratories in the approximately 100 centers under component 1 and component 2. The Subsecretariat for Information Systems and Technologies will be responsible of the activities associated with this pilot project.

2.33 To obtain these labs, the networks shall submit competitive proposals in the form of their plan for using the computer labs as part of their PER or PEC. Said plan should at a minimum specify a weekly schedule of lab use, the description of the activities for the training of teachers, and the topics and activities planned for the students. Specialized technical assistance will be contracted to support the networks in preparing these plans.

2.34 The laboratories will be procured through "turnkey" contracts and each lab will have a minimum of 10 and a maximum of 20 networked computers with Internet access, air conditioning, a laser printer, a voltage inverter, a generator, furnishings, and security devices for the equipment.

2.35 The program will finance the contracting of technical assistance for the design and evaluation of the pilot project. The following aspects will be evaluated, among others: the level of skill acquired in handling the equipment, basic computer literacy, use of the Internet for research and development of projects, and the use of educational software for teaching and learning tasks by students as well as teachers. The evaluation will include an analysis of the planning and logistical aspects of each one of the proposals submitted for the PERs and PEC.

4. Component 4. Competitive Fund for Educational Innovations (US$4.1 million)

2.36 The objective of this fund is to provide financing, within the framework of the Educational Development Plan, for individual initiatives that originate either from within the realm of the public sector, or with NGOs that work in the education sector and/or private groups. The financing of these initiatives enables private entities and NGOs to collaborate in furthering policies and programs regulated by the SEE to enhance the quality and efficiency of basic education. The fund will finance proposals on a competitive basis, based on specific technical criteria such as: the inclusion of democratic values in the curriculum (e.g. civics), broad use of information technology, the modernization and decentralization of management, strengthening of task rooms or support rooms for the education of pupils belonging to the basic level; encouragement to stay in school, raising awareness of the rules of hygiene, healthiness, and road safety; raising awareness of inclusive education and school health, and the rights of children and adolescents, among others.

C. Cost and financing

2.37 Table II-4 presents the breakdown of program costs by source and category of investment.

Table II-4.
Cost and financing
(in millions of US$)

Categories	Phase I		
	IDB	**Local**	**Total**
1. Multigrade rural education	**30.2**	**4.6**	**34.8**
1.1 Teaching guides, classroom libraries, and teaching materials	8.1		8.1
1.2 Rural educational management networks			
1.3 Training of specialists and teachers	0.8	0.8	1.6
1.4 Infrastructure	0.1	2.3	2.4
1.5 Support for implementation of the model	17.5		17.5
1.6 Evaluation	0.1	0.1	1.2
1.7 Initial teacher training for the basic level	0.4		0.4
	2.2	1.4	3.6
2. Enhancing educational equity in marginal urban areas	**25.0**	**2.1**	**27.1**
2.1 Teachers workshops			
2.2 Learning workshops	0.6	0.8	1.4
2.3 Educational management	1.3	0.7	2.0
2.4 Learning recourses	0.8	0.3	1.1
2.5 Infrastructure	4.9		4.9
2.6 Assistance for over-age students	16.0		16.0
2.7 Support for implementation of the model	0.4	0.3	0.7
2.8 Evaluation	0.5		0.5
	0.5		0.5
3. Strengthening educational management for equity	**10.6**	**1.1**	**11.7**
3.1 Extension of SIGED to schools	6.0	0.8	6.8
3.2 Strengthening the Data Warehouse	0.7	0.1	0.8
3.3 Training of users	1.8		1.8
3.4 Educational computing pilot project	2.1	0.2	2.3
4. Fund for Educational Innovations	**4.0**	**0.1**	**4.1**
4.1 Financing of projects	4.0		4.0
4.2 Promotion and training		0.1	0.1
5. Operating Costs	**1.8**	**0.1**	**1.9**
5.1 Administration and monitoring of the project	1.5	0.1	1.6
5.2 Audits and mid-term evaluation	0.3		0.3
Direct Costs / Subtotal	**71.6**	**8.0**	**79.6**
Percentage	90%	10%	100%
6. Financial Costs			
6.1 Interest	7.6		7.6
6.2 FIV	0.8		0.8
6.3 Credit Fee		1.0	1.0
Total	**80.0**	**9.0**	**89.0**

2.38 The total cost is estimated at US$89 million, as broken down in Table II-2, and divided between: (i) US$80 million from the Bank through the Single Currency

Facility with resources from Ordinary Capital (OC), in US dollars; and (ii) US$9 million from the Government of the Dominican Republic. US$30 million of the loan resources will be eligible for financing from the Intermediate Financing Facility (IFF), given that the program qualifies as a poverty targeted investment (PTI). Also charged to the loan are US$0.8 million for supervision (FIV) and US$7.6 million in interest. The conditions of the loan are detailed below:

Table II-5.
Loan conditions.

Source of financing	Ordinary Capital (OC) Intermediate Financing Facility (IFF)
Currency	US$ Single Currency Facility
Conditions:	
Amortization	25 years
Grace period	4.5 years
Disbursement period	4.5 years
Interest rate	Variable (IFF)
Inspection and supervision	1% of the total loan amount
Credit fee	0.75% of the undisbursed balance

III. INSTITUTIONAL FRAMEWORK AND EXECUTION OF THE PROGRAM

A. Borrower and executing agency

3.1 The borrower will be the Government of the Dominican Republic. The executing agency will be the Secretariat of State for Education (SEE), with the support of the Office of International Cooperation (OCI) and the cooperation of area offices of the SEE. The SEE has experience in the execution of programs financed by international donors. Its capacity for execution has been demonstrated in projects financed with resources from the Bank and the IBRD.

B. Period of execution and disbursements

3.2 The period of execution for the first phase will be four years, and the period of disbursements of loan resources will be 4.5 years, both periods beginning with the entry into force of the loan contract.

C. Project administration

3.3 The execution of the project will take place within the current organizational structure of the SEE, through the OCI. To carry out program activities, the OCI, which answers directly to the Subsecretariat of State for International Cooperation, will be assisted by the corresponding area units. The subsecretariats and area offices of the SEE will assume the technical responsibility for carrying out the activities included in each component and subcomponent of the program.

3.4 The technical coordinator of the program will be the Director of the General Directorate for Basic Education (DGEB), who will coordinate the preparation of the annual operating plans and terms of reference necessary for the program's actions to take place. The OCI, in coordination with the DBEB, is responsible for: (i) coordinating administrative execution of the program; (ii) contracting consultants; (iii) supervising the bidding and contract award processes; (iv) preparing and administering the program budget; (v) ensuring compliance with rules set forth in the loan contract; (vi) submitting follow-up and audited financial reports, among others, to the Bank.

3.5 The technical responsibility for the program will fall to the DGEB, which, for the infrastructure activities, will be supported by the Subsecretariat for Physical Infrastructure and specialized personnel of the OCI. The program for ***over-age students*** will fall to the Office of Special Education with support from the General Office for Adults and under the direct supervision of the program coordinator.

3.6 The technical responsibility for ***Component 3 (SIGED)*** will fall to the Subsecretariat for Educational Technology and Computing in coordination with the

program coordinator (DGEB). ***Component 4 (Competitive Fund for Educational Innovations)*** will be the technical and administrative responsibility of the OCI in coordination with the DGEB

D. Program execution

3.7 The execution of the program will be governed by the Operating Regulations (OR), which contain the norms and procedures necessary for executing each of the components' activities, as well as the functions and obligations of the executing agency and sub-executing agencies. The OR set forth specific eligibility criteria for fundable actions, and execution criteria for all the components, with particular emphasis on innovative aspects. Further, the OR contain the specific manuals for: (i) the PER/PECs, (ii) transfers to the schools and micro-centers, and (iii) the competitive fund. Salient aspects of the execution mechanisms and eligibility criteria for the following program activities are detailed below:

3.8 ***Component 1***: The component's activities will be coordinated by the Rural Education Unit (UR) of the DGEB. The academic training and supervision activities included in this component will be executed by the intermediate agencies of the SEE (school districts), which in turn will be duly trained by UR personnel and through international technical assistance specialized in applying pedagogical models of multigrade education. The teaching guides and materials included in the program will be purchased via appropriate competitive bidding procedures and distributed by the OCI with prior technical approval from the DGEB. The contracts to improve infrastructure will be awarded by competitive bidding procedures by OCI staff, with prior technical approval of the bidding documentation from the DGEB and the UR. The contract for evaluation of the component will be awarded by competitive bidding procedures to an entity outside of the SEE at the start of the program (first operating plan) as a single block for the duration of the program (4 years) so as to allow data to be gathered at the right times and to allow for a proper and independent analysis of those data.

3.9 The Rural Networks deal with direct financing to groups of schools for the PERs and receive cash transfers for financing the basic set of educational inputs. The financing for the PERs and their respective Network Boards is provided for in Article 105 of the General Education Law, which created the School Boards to be decentralized instruments of educational management whose function it is to "ensure that the education policies made by the National Education Council and the Secretariat of State for Education are applied in their sphere of competence."

3.10 The Regulations governing the Decentralized Boards[14], in Chapter IV "School Boards", states in Article 39 that "Each school shall form a School Board conceived

[14] Ordinance No. 3´2000 of the National Education Council.

as the body of representative participation, charged with creating ties between the community, the school and their members, so that the School may successfully perform its functions." However, the regulations specify that the schools must have at least 300 students for them to form their own board. The Network Boards to be created under the program will enable rural schools to have access to decentralized educational management. Article 40 of the Regulations refers to the functions incumbent upon the School Boards, mentioning the following, among others: (i) administer the budgets allocated to them by the Secretariat of Education and other resources as required; and (ii) implement the school's development plans in the context of policies defined by the National Education Council, among others. The transfers to the Network Boards and their respective PERs will be governed by the program's Operating Regulations, which will define, among other things, the elements eligible for financing, the auditing mechanisms, and the accountability that the School Boards must maintain.

3.11 Additionally, as an exception to the procedure of selecting consultants by means of public tender, it is recommended that the following entities be contracted directly: (i) Fundación Volvamos a la Gente and UNICEF to provide technical assistance in the training of school district supervisors and to support the implementation of the model, and (ii) Sotemari, Inc. to provide technical assistance in the preparation of guides and in training Network Boards, PERs, and, for the decentralized School Boards, the PECs and educational packages. The first two entities have been supporting the SEE in the pilot implementation of the multigrade model in 300 participating schools. They have extensive knowledge of the model's design elements, they have developed a successful teamwork methodology with the SEE (at the central and regional and school district levels) and they have broad experience and a long history training SEE personnel in the multigrade model and techniques. The second entity has prepared the manuals for the secondary education School Boards and trained these same Boards in the decentralized management (accounting records, audits, etc.) of the program's financial transfers. The SEE has requested the same team that provided technical assistance for standardizing the procedures and policies for decentralization at the different educational levels (basic and secondary).

3.12 ***Component 2****:* The activities under this component will be coordinated by the Marginal Urban Area Support Unit (UAUM) of the DGEB. The academic training and supervision activities included in this component will be executed by the intermediate agencies of the SEE (school districts), which in turn will be duly trained by the personnel of the UAUM and through technical assistance from NGOs specialized in providing pedagogical and management support to the country's schools. The contract for technical assistance shall be awarded per group of schools, which should be located in the same education district. The contract for technical assistance should be for all four years of the program. The teaching guides and materials called for in this program will be purchased via competitive bidding procedures and distributed by the OCI with prior technical approval from the

DGEB. The contracts for infrastructure improvement will be put up for competitive bidding by OCI personnel, with prior technical approval of the bidding documents from the DGEB and the UAUM. The evaluation activities under this component will be performed by an entity outside the SEE, at the start of the program (first operating plan), for the duration of the program.

3.13 The schools selected for financing under this component must fulfill the eligibility criteria, in other words, have third grade repetition rates above 10% and serve marginal urban populations. The annual operating plans will establish how new schools that might be eligible for funding can enter the program. Qualifying schools must remain in the program for at least three years. Eligible schools must accept all the activities included in the component in their entirety.

3.14 ***Component 3****:* The educational computing pilot project will finance competitive projects that integrate computers into the PERs or PECs of those schools that show interest in participating in this initiative. The basic eligibility criteria for a school are: (i) that it have a School Board or Network Board, (ii) that it present its corresponding PER or PEC together with its pedagogical integration proposal, and (iii) that the proposal include an evaluation of the planned activities.

3.15 ***Component 4****:* The eligibility criteria for submitting a proposal are that it: (i) be consistent with the goal of the Fund; (ii) offer something unique, i.e. originality; (iii) have an outstanding level of excellence; (iv) be experimental in nature; (v) have local and regional impact; (vi) have technical and financial coherence; (vii) link the public and private sectors; (viii) be the result of majority consensus; (ix) be objective in the evaluation of anticipated outcomes, verifying them through the use of objective indicators; (x) be feasible to replicate the proposal as a model for other communities, incorporating a multiplier effect or serving as a catalyst for other efforts; (xi) respond to community rather than individual interests. However, preference will be given to those projects that are characterized by: (i) likelihood of continuity over time, (ii) involving several disciplines within the competencies of the basic level, (iii) having more than two associations involved in management, (iv) boasting a team with valuable experience in executing this type of project; (v) demonstrating greater efficiency and efficacy. Projects will not be funded that do not tie into the goal of the Educational Development Plan, as it relates to basic education.

3.16 The following organizations may submit projects: (1) non-governmental organizations, (2) company foundations, chambers of commerce and other business organizations founded in accordance with local regulations, (3) existing technical education institutions or universities, public or private, (4) neighborhood communities with backing from a non-governmental organization with legal status, (5) cooperatives with legal status, (6) research institutes, (7) community organizations with legal status. The executing agencies must fulfill the following legal requirements, when submitting a proposal: (i) have legal status; (ii) in the

event that is does not have legal status, the executing agency must be sponsored by a renowned private or public entity with legal status or by the municipal government. In this case, the sponsoring institution must provide counterpart support, in cash or in kind, according to established guidelines.

3.17 The fund will be administered by a temporary administrative unit created for that purpose, which shall come under the National Office of International Cooperation, under the Subsecretariat for International Cooperation of the Secretariat of Education. The unit will be responsible for administering and executing the component and will be headed by a coordinator. The coordinator will answer to a Board of Directors, the Fund's highest decision-making body, made up of eight (8) members: 4 representatives from the public education sector, three (3) from the private sector, and one (1) from the Dominican municipal league. The representatives from the public sector will be: the Director of Basic Education, who will preside over the Board of Directors, the Director of Curriculum, and a representative of the Subsecretariat for International Cooperation to be designated by the Undersecretary for that area. The representatives from the private sector will be selected from amongst the most prestigious and most active training institutions and non-governmental organizations in the area of basic education. These will be designated by the SEE. Membership on the Board of Directors is honorary.

3.18 The Board of Directors shall function at a minimum with three of its members, and its decisions must be approved by a majority. In case of a tie, the authority that presides shall be entitled to vote twice. The members of the Board shall serve for two years and may be reelected for two more years. The Board will have the following functions: (i) ensure adherence to the objectives of the fund; (ii) make certain that at every stage of the approval process the norms and procedures approved in the project document are followed; (iii) approve the projects and the amount of funding to be allocated from Fund resources; (iv) commission studies on the effects of executing the projects financed by the Fund, for the purposes of planning future actions and establishing long-term strategies; (v) nominate the Coordinator; (vi) request special reports on how the program is operating (vii) guarantee the availability of the local contribution to the Program. The Coordinator will be responsible for administering and executing the Program while also serving as Secretary of the Board.

3.19 To function, the Board of Directors must have a quorum of four of its members, and decisions shall be made by consensus, which is not to say by unanimous decision, but rather a special majority of the members present. In case of a tie, the vote of the Chairman, or of whomever is chairing the meeting on that occasion, shall count twice. The Board meetings shall be moderated by the member who holds the Chairmanship, and the Executive Director shall act as technical secretary. The Executive Director shall participate in Board meetings without the right to speak or vote. The Board members representing the private sector shall serve for up to two years, and may be reelected one time only for two additional years. This

notwithstanding, if at any time there is proof of the commission of a misdemeanor or of a breach of the Code of Ethics, they may be relieved of their functions.

3.20 The Board shall have the following functions: (i) advise on the policies, objectives and goals of the Fund; (ii) ensure adherence to the objectives of the fund; (iii) make certain that at every stage of the approval process the norms and procedures approved in the project document are followed; (iv) approve the projects and the amount of funding to be allocated from Fund resources; (v) approve annual budgets; (vi) commission studies on the effects of executing the projects financed by the Fund, for the purposes of planning future actions and establishing long-term strategies; (vii) request special reports on how the program is operating. At least every quarter it shall receive technical and financial reports on the operations of the fund; (viii) guarantee the availability of the local contribution to the Program; (ix) propose new initiatives to replenish the Fund and help it accomplish its objectives; (x) contribute to improving the Fund's image; (xi) exercise the powers granted unto it in the Operations Manual of the program's Operating Regulations.

3.21 The Component will finance projects that meet the criteria set forth in the Operations Manual and any criteria mandated by the Board of Directors in the future. Through the Unit, annual public competitions will be held inviting potential executing agencies to submit their proposals. These will be evaluated through a competitive procedure. A minimum of one competition is planned for the first year the program is set in motion, and at least three per year for the remaining years. The submitted proposals will be evaluated by external evaluators contracted for that purpose. The proposals must score more than the predetermined minimum number of points published in the terms and conditions of the competition. Those that score above this mark will be ranked in consideration of **the highest quality**. This way, a set of projects will be selected that will exhaust the budget allotted for the competition and will achieve the highest quality. The Program shall include a series of controls so as to prevent a concentration of projects pursuing the same objective, operating in the same region, or run by the same executing agency.

3.22 *School Infrastructure.* The infrastructure works must meet the following criteria: (i) all the schools must have legalized property titles, suitable grounds, and space for future expansion if necessary; (ii) each classroom should have a student per classroom ratio of no more than 40 or whatever number the SEE establishes in its internal regulations; (iii) the works must include water and drainage services, a fence around the perimeter, and playgrounds according to the standards of the SEE's works division.

3.23 *Maintenance.* The SEE has been implementing a decentralized system for maintenance of works, through the creation of Regional and District Boards. Budget resources are transferred to these decentralized entities, which have procedure and auditing manuals enabling them to manage these resources to carry out maintenance of school infrastructure.

E. Procurement of goods, contracting of works and consulting services

3.24 The use of international competitive bidding shall be required for: (i) construction of works valued at or above US$1,000,000; (ii) the procurement of related goods and services valued at or above US$250,000; and (iii) contracting of consulting services for amounts above US$200,000. The goods, works and consulting services contracted for lesser amounts shall be subject to the simplified procedures annexed to the Procurement Plan, and reflected in Annex D to the Loan Contract.

F. Revolving fund

3.25 In accordance with the current Bank provisions, the mechanism to be used shall be the revolving fund, which will be limited to the 5% of the total loan amount.

G. Disbursements

3.26 The resources from the Bank and the counterpart funds from the government shall be deposited in a special account managed by the SEE. Payments will be made by the executing agency for the procurement of goods and services. The cumulative expenses or investments reflected in the periodic accounting performance reports shall include solely and exclusively the categories of eligible expenses previously agreed to with the Bank. The OCI shall keep in its files the originals and/or copies of the contracts, the order forms, invoices, receipts, payment vouchers, certificates from providers and all other documents needed to corroborate the information provided in the reports submitted to the Bank. The documentation shall be properly identified and filed and shall be provided to the authorized officers of the Bank and to the external auditors for their examination, upon their request.

3.27 The schedule of program disbursements will be as follows:

Table III-1
Proposed disbursement of Program resources (in millions of US$)

Source	First year	Second year	Third year	Fourth year	Total
IDB	20.3	21.4	15.0	14.9	71.6
Local	1.8	1.8	1.9	2.5	8.0
Total	22.0	23.2	16.9	17.3	79.5

H. Accounting and external auditing

3.28 The SEE shall establish and maintain proper accounts and records, in accordance with accepted accounting practices. The School Boards, with supervision from the central office, shall also maintain records that reflect resources and expenditures related to project execution as regards the set of educational materials and the pedagogical and Network education projects. The audited financial statements from the program and the Fund for Educational Innovation shall be submitted to the

Bank by the executing agency within 120 days of the end of each year. The annual audit will be performed by a private, independent auditing firm acceptable to the Bank, based on the Terms of Reference previously approved by the Bank (document AF-400). The auditing firm shall be chosen in accordance with the Bank's competitive bidding procedures for external audits (AF-200) and shall be contracted for a period of at least three (3) years, subject to a termination clause in the event of sub-standard performance. Payment for the annual audits will be included in the cost of the program.

I. Monitoring by the Bank during execution: reports, annual reviews for the second phase.

3.29 A program orientation workshop will be held no later than three months after the loan is declared eligible for disbursements. During the period of execution, the SEE and the Bank shall perform joint annual reviews during the second quarter of each year (before the beginning of the school year) so as to have the opportunity to evaluate program performance and reach agreements on necessary adjustments. Each year, during the second quarter, the executing agency shall submit to the Bank a report detailing progress in the execution of each one of the components and the activities included therein and the degree to which the annual goals established for the program components have been met. Annual meetings with the Bank are expected to be held within the two months following submission of the report.

3.30 The annual review shall give special attention to: (i) the progress made during the previous year; (ii) the review and approval of the proposed annual work schedules; (iii) the budgetary requirements for implementing the annual plan for the following year; (iv) evaluation of the efficiency of program administration and coordination and of adjustments that should be made to the program.

3.31 The meeting to evaluate the results of the third year shall also serve to schedule the evaluation of the triggers for the second phase of the program. During the meeting, the results of the evaluations and the tentative calendar for preparing the memorandum for phase 2 will be discussed.

J. Special conditions for disbursements

Table III-2
Special Conditions.

Condition	Deadline	Means of verification
Evidence that the necessary staff have been hired and the equipment and facilities procured for proper operation of the UR, the UAUM, and the Competitive Fund Unit.	Prior to first disbursement	Progress report
Evidence that the necessary staff have been hired and equipment and facilities procured for proper operation of the UAT and the Competitive Educational Innovation Fund	Prior to first disbursement of component 4	Progress report
Evidence of entry into force of the program's Operating Regulations, which shall include, among others aspects, the procedures for administering the transfers for educational materials to the Network Boards, the PERs, and the Competitive Fund for Innovation.	Prior to first disbursement	Ministerial Decree

K. Mid-term evaluation and impact assessment

3.32 The program will finance a mid-term evaluation to be conducted during the third year of execution of the first phase of the program, which will serve as input for the evaluation of the second phase and which will explore the following aspects: (i) execution of the rural multigrade model, (ii) execution of the model for serving marginal urban areas, (iii) operational implementation and efficiency of the program for over-age students, (iv) analysis of educational statistics from the SEE to calculate the indicators included in the logical framework, (v) verification of the use of the SIGED system and (v) analysis of the proposals submitted to the Competitive Fund.

L. Ex post evaluation

3.33 The SEE has indicated that because the first phase contains an impact assessment of program interventions and progress indicators, this assessment will be considered to be the ex-post evaluation for the first phase of the program. The baseline information may be found in the program files and as an annex to the Operating Regulations. Information related to learning levels will be gathered prior to the first year's AOP. The second phase shall include an ex post evaluation of that phase.

M. Special disbursement to initiate Program activities.

3.34 It is recommended that once the borrower has fullfilled the conditions set forth in Article 4.01 of the General Conditions of the loan contract to the satisfaction of the

Bank, the Bank disburse up to US$140,000 of the loan resources for initiating program activities related to the special conditions indicated in Table III-2. Of this amount, US$50,000 will be to begin to contract the evaluation of component 1, US$50,000 to contract the evaluation of component 2, and US$40,000 to contract technical assistance for the UAUM and the UR.

IV. VIABILITY, BENEFITS AND RISKS

A. Institutional viability

4.1 The institutional capacity of the SEE has evolved in step with the programs receiving external financing from both the Bank and the IBRD. The first Basic Education Program (859/SF-DR) was executed through an executing unit of the SEE. Five years later, the second Basic Education Modernization Program (897/OC-DR) was approved. This program made it possible to transition from an executing unit to integrated execution by the technical area offices of the Secretariat through a coordinating unit. During the course of the second program, execution became institutionalized, helping to build a solid execution capacity with regard to creating records, contracting firms and individuals, etc., and meeting contractual commitments in general. From the end of 1998 to date, the SEE has executed 90% and committed the remainder of loans IDB No. 897/OC-DR and IBRD No. 3951-DO.

4.2 This program proposes that differentiated programs be implemented to serve segments of the population that have traditionally been left behind by other educational improvement efforts. Moreover, the program proposes that models of differentiated approaches for this population be introduced that demand a level of specialized technical capacity that exceeds the capacity that the SEE has today. In particular, the proposed models require the active and efficient participation of the institution's supervisory bodies (school districts), which have traditionally displayed relatively weak performance. Hence, the program was designed to incorporate the participation and support of the regional and central levels of the SEE, and of NGOs with experience in the education sector, so that the chances of success in executing the planned educational models will be greater, and so that the NGOs, through their collaborative work with the school district supervisors, might strengthen the institutional capacity of the school districts.

B. Benefits

4.3 *Focusing the benefits on children making slower educational progress.* The principal strategy of the program is to acknowledge that improvements to the education system have not managed to generate the same level of benefits for all children. In particular, the Bank's diagnostic study recognizes that children in rural areas are in the same situation with regard to educational achievement as was the population of the country overall at the start of the 1990s. The percentage of children that succeed in graduating from the eighth grade in the rural sector is slightly higher than the system's overall rate of graduation before the Ten-year Education Plan. Hence, the program focuses its actions on this sector, introducing a specific model of education, so as to bring down high drop-out rates, improve academic achievement, and raise the average level of schooling of rural children by

approximately two years in the first phase of the program. Also, children in marginal urban areas face educational failure in the form of high rates of grade repetition, which leads to low self-esteem and a vicious circle of poor educational achievement.

4.4 *Increasing the management capacity of the SEE and average years of schooling.* The program will not only produce specific benefits for the country's poorer children, but it will also: (i) increase the rate of graduation from basic education, reducing the educational gap between the haves and the have-nots, (ii) raise the average level of schooling of the poor, (iii) raise the poor population's chance of having access to secondary education, (iv) increase the capacity of these groups to earn higher wages in the labor market, (v) create management capacity within the SEE to promote policies entailing differentiated educational services, and (vi) encourage associations between the private and public sectors for the purpose of improving education for the poor.

4.5 *Efficiency of educational investments through improved internal efficiency*. This section presents the savings generated through gains in the system's internal efficiency. The assumptions used in the simulations are the following, depending on the combination of effects. The effects of a reduction in the rate of repetition are to: (i) reduce the total cost (student years) required to graduate a cohort; (ii) free up spaces that could be used to increase coverage; (iii) increase the number of graduates; (iv) reduce the amount of inputs needed per graduate. The effects of a reduction in drop-out rates are: (i) an increase in the number of graduates; (ii) a decline in the number of student years per graduate; (iii) a reduction in the amount of inputs per graduate. The combination of both effects reinforces the increase in the number of graduates and the reduction in the number of years per graduate.

4.6 *Simulations of improvements to rural multigrade education*.[15] It is estimated that the interventions under Component 1 will simultaneously reduce the repetition and the drop-out rates, which will have a positive impact on graduation rates. In the case of repetition, the decrease is projected to be significant for the first four grades — equivalent to a 75% reduction in repetition of these grades by the end of the Program (second phase). The fifth grade is also expected to a see significant, albeit lower (50%), improvement because the students that graduate from the fourth grade will be better prepared. For grades six through eight the decrease in repetition is projected to be moderate (25%). Given the proven correlation between drop-out rates and greater investment, it is estimated that drop-out rates for both cycles of basic education will decline by 75% over the course of the Program.

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[15] All the simulations extrapolate improvements to internal efficiency rates throughout the course of the Program (9 years). Improvements are assigned in homogeneous (equal) intervals each year. For multi-grade schools, the rates for all rural schools were used, and for Component 2 schools, the rates for schools classified as marginal urban schools were used.

4.7 The Program is expected to result in the number of graduates from the fourth grade increasing from 60 to 74 per 100 students entering the first grade by the end of the First Phase. By the last year of the Program (final year of the Second Phase), almost 90 of every 100 children entering first grade are expected to graduate from the first cycle of basic education. With regard to graduation from the second cycle of basic education, it is estimated that while currently one of every three students entering the first grade will graduate from the eighth grade, the Program's interventions would raise this number to one out of every two by the end of the First Phase.

4.8 *Simulations of improvements to education in marginal urban areas*. It is estimated that the interventions called for under Component 2 will have marked effects on repetition rates, especially in the first and the fourth grade. Repetition rates for the fifth and sixth grade, where currently there are high levels of failure owing to repetition, are also projected to decline by 50%. With regard to the drop-out rate, it is estimated that by including remedial interventions and reducing the over-age phenomenon, the program will have a pronounced effect on the retention of students enrolled in the second, third and fourth grade. Estimates for those enrolled in the latter grades of the second cycle of basic education are similar.

4.9 The results of applying these improvement rates to the flow in marginal urban schools participating in the Program suggest that these schools will attain levels of internal efficiency similar to those of urban schools by the end of the First Phase. By that time, progression and success in the fifth grade will improve from 59% to 72% of the cohort. This suggests that the rate of promotion from the eighth grade could improve significantly by the end of the Program, reaching levels similar to those at the best schools in the country (eighth grade graduation rate of 3 of every 4 students who enroll in the first grade).

4.10 Table IV-1 shows the expected economic impact of the program interventions based on simulations of gains in internal efficiency. The interventions under Component 1 are expected to improve internal efficiency, so that the number of graduates will rise while the number of student-years per graduate is reduced from 19 to 15. This represents not only an improvement in the overall equality of the system, but also a cost reduction of more than 20 percent per graduate. Keeping the annual cost per basic student constant, each graduate would cost US$2,340 with the program, while without the program each graduate costs US$3,700. Utilizing the same data reflected in the Table, the impact on marginal urban schools covered by the program is even greater, as the cost per graduate is expected to plunge from US$3,100 to almost US$1,200.

Table IV-1.
Simulations of gains in internal efficiency.

	Student-years		Graduates		Years per Graduate		Cost per Graduate (US$)	
	#	% Variation	#	% Variation	#	% Variation	#	% Variation
Rural Multigrade								
No program	5729		300		19.1		3723	
With program	7535	31.52	500	66.7	15.1	-21.1	2938	-21.1
Marginal Urban								
No program	5644		350		16.1		3144	
With program	7346	30.16	750	114.3	9.8	-39.3	1909	-39.3

C. Environmental Impact

4.11 Neither the expansion of the marginal urban centers nor the rehabilitation of classrooms in the rural sector are expected to have an adverse effect on the environment. The operating regulations of the program include technical and environmental mitigation criteria for construction. The environmental mitigation measures have been reviewed and will be applied to the World Bank's early stimulus program and for this program. The most prominent characteristics of the environmental mitigation measures are detailed below.

4.12 The methodology follows international best practice for small infrastructure projects; it consists of applying checklists and matrices so as to ensure appropriate construction, operation and works supervision practices. First, an "environmental checklist" form will be used, consisting of a series of critical questions regarding the environment at the location, for example: (i) if the project is in or near a natural park, (ii) existence of critical natural habitats, (iii) if the location is prone to flooding, (iv) if the works might affect currents, rivers, streams, etc., (v) damage or loss to the people who live nearby or in surrounding areas – interruption of existing infrastructure services: water, electricity, access, etc., (vi) if it will affect the quality of surface water, (vii) if it will affect the quality of the groundwater, among others. The environmental checklist will be used to check and identify potential impacts on the environment in each phase of the project (design, construction, and operation).

4.13 Second, a form is prepared entitled "Environmental Management Plan Matrix" describing each impact, the mitigation measures, liabilities, costs, and indicators used in any corresponding monitoring. Mitigation measures are included in the bidding documents for design or construction contracts, or in the schools' operating manual, for example: a design that avoids contamination of water and streams around the site through adequate sanitation measures, measures in the contractor's bidding documents for preventing contamination of streams during construction, and operational guides for proper solid waste management for the school. Furthermore, the classrooms to be constructed have design specifications that include restrictions on the use of harmful materials such as: lead-based paint, asbestos, arsenic, etc., and the promotion of environmental technologies such as

primary treatment of waste water, the use of natural ventilation and lighting to reduce electricity consumption, etc.

D. Risks

4.14 **Response of the education sector to the educational models**. The implementation of these pedagogical models necessitates a change in the institutional culture of the education sector at various levels. For one, it means that the SEE, at the central as well as at the regional and school district levels, must establish productive relationships of mutual support with sector NGOs, if execution is to be successful and institutions are to be strengthened as required for the models to be extended to more schools in the second phase of the program. Secondly, there is a risk that the implementation of the models may be hindered by a weak response and weak participation of the teachers involved in the program. To minimize both risks, the program involved the private sector and NGOs in the preliminary dialogue for program preparation, so as to establish a common basis for dialogue and to bring the parties closer together. Further, preparation and program activities include dialogue seminars for teachers and administrators from participating schools to come to a consensus on the basic principles of the educational models and the instructional materials for each intervention.

DOMINICAN REPUBLIC
MULTI-PHASE PROGRAM FOR EQUITY IN BASIC EDUCATION
LOGICAL FRAMEWORK

Narrative Summary	Indicators	Means of Verification	Assumptions
Goal relative to the CP: To support the government in enhancing equity in basic education by strengthening the Secretariat's capacity to implement targeted programs.			
Objectives (impact): Increase the educational achievement of: (i) pupils in rural areas, (ii) marginal urban areas; (iii) improve educational management of the sector and (iv) foster educational innovations.	A 5% increase in the level of learning in language and math in the 3rd and 4th grade in rural multi-grade schools with respect to the control group. Increase in the rate of graduation from the first cycle of rural basic education from 60% to 74% in participating multi-grade schools. A 10% increase in the level of learning in language and math in the 4th grade in marginal urban schools with respect to the beginning of the program. Increase in the rate of graduation from the second cycle of basic education in marginal urban areas from 35% to 49% in participating schools.	Impact assessment report on components 1 and 2. Mid-term evaluation report based on SEE statistics.	The rural multi-grade and marginal urban models have a positive effect on the learning level of students. Educational equity continues to be given priority by the new administration in 2004.
Outcomes: *Component 1. Rural multi-grade education.* Multi-grade pedagogical model implemented at the schools selected for the program:	70% of selected multi-grade schools apply the pedagogical model.	Independent mid-term evaluation reports based on classroom observations.	Teachers apply multi-grade methodologies taught in training seminars.

Narrative Summary	Indicators	Means of Verification	Assumptions
(i) teachers and students use materials that promote independent learning; (ii) classroom work is cooperative, using active methodologies and adequate physical space; (iii) flexible promotion based on the level of academic achievement; (iv) teachers use self-evaluation methodologies; and (v) teachers receive pedagogical network support.			District supervisors participate actively in applying the model.
Teachers' Colleges (ENS) have new curriculum and management models in place.	4 ENS apply new regulations and curriculum and management models.	Mid-term evaluation reports based on administrative data.	
Component 2. Enhancing educational equity in marginal urban areas.			
Teachers use new teaching methodologies, improve their management of curriculum content, and improve their educational planning.	75% of teachers improve their pedagogical practice.	Independent mid-term evaluation reports based on classroom observations and focus groups.	Teachers apply contents of training and suggestions from supporting NGOs.
District supervisors (specialists) improve their capacity for providing pedagogical support.	75% of district supervisors participate actively in the program.	Independent mid-term evaluation reports based on classroom observations and focus groups.	Supervisors and NGOs make effective work teams.
At-risk pupils receive pedagogical reinforcement and more effective learning time.	75% of pupils and tutors involved in the learning workshops participate actively. Workshops are accepted by the educational community.	Independent mid-term evaluation reports based on classroom observations and focus groups.	Young people are interested in participating in workshops as tutors. Teachers accept the work of the tutors.
Over-age students are promoted to the appropriate grade.	60% of over-age students enrolled at these schools are promoted.	Mid-term evaluation reports based on administrative data.	Teachers in charge of the appropriate grades accept promoted students without stigma.

Narrative Summary	Indicators	Means of Verification	Assumptions
Component 3. Strengthening educational management for equity.			
Program schools and the SEE have access to quality, real-time educational data for effective decision-making.	90% of micro-centers and marginal urban schools use the SIGED system as a principal tool for transmitting, receiving, and utilizing educational information.	Mid-term evaluation reports based on administrative data.	
Participating schools incorporate educational computing into their curriculum model.	75% of the proposals incorporate information technology in specific curriculum areas.	Mid-term evaluation reports based on administrative data regarding the schools' proposals.	The educational community shows interest in integrating computers into education.
Component 4. Competitive Fund for Educational Innovations.			
Increased participation of NGOs and the private sector in managing the SEE's education policies.	40 proposals submitted to the fund during the life of the program.	Mid-term evaluation reports based on administrative data.	NGOs and private groups are interested in participating in competitions.
Outputs: *Component 1. Rural multi-grade education.*		The degree to which program activities have been executed will be reflected in the semi-annual execution reports prepared by the Coordinating Unit for the program under the SEE's Office of International Cooperation, in accordance with the goals included in the program's logical framework.	The unit costs of the program's planned activities remain stable during the period of program execution.
1.1. Teaching guides, classroom libraries, and teaching materials. Distribute guides for the use of classroom libraries and for the organization, structure, and methodology of the multi-grade model.	750,000 student guides distributed. 22,000 teachers guides distributed. 6,600 classrooms provided with classroom libraries (100 books each). 6,600 packets of teaching materials available in multi-grade classrooms.		
1.2 Rural educational management networks.	100 rural multi-grade networks created. 100 transfers per year for purchasing		

Narrative Summary	Indicators	Means of Verification	Assumptions
Organize and finance a model of educational management for rural multi-grade schools.	consumable educational materials. 100 Network Educational Projects (PER) prepared and financed.		
1.3 Training for specialists and teachers in the rural networks. Train teachers and supervisors (specialists) of multi-grade schools on the multi-grade model, on using educational material specific to the model, and on teaching guides and the evaluation process.	5,500 multi-grade teachers trained annually in three workshops. 190 district specialists trained annually in two training seminars. 100 meet monthly in support seminars.		
1.4 Infrastructure and furniture. Improve the school environment, adapt the physical plant to the requirements of the multi-grade model, and expand opportunities in the second cycle of basic education.	700 multi-grade schools rehabilitated and equipped with bathroom facilities. 2100 classrooms have octagonal tables and chairs suited to the model.		
1.5 Support for implementation of the model. Strengthen the capacity of the SEE at the central and the district level to extend and supervise the model.	Central unit created and functioning. 60 district specialists supervise the multi-grade schools monthly.		
1.6 Evaluation of the model. Conduct a study to identify the level of learning of third and fourth grade pupils, the socio-economic characteristics of their homes, and the characteristics of the educational environment at schools with and without the program.	Baseline and final measurement (after two years) carried out and data analyzed.		
1.6 Initial teacher training for the basic level.	Curriculum proposal adapted. New regulations approved and adopted.		

Narrative Summary	Indicators	Means of Verification	Assumptions
	2 ENS with rehabilitated infrastructure. 4 ENS equipped with libraries and computerized educational management systems.		
Component 2. Enhancing educational equity in marginal urban areas.			
1.1 Teachers' workshops. Train teachers and directors on the model, selection criteria for schools, the model's approaches, teaching methodologies, and educational planning. Help the teachers with their teaching during the school year.	5,160 teachers trained. 15,000 teachers' guides distributed. NGOs make biweekly visits to trained teachers.		
1.2 Learning workshops. Hold workshops for children in first and second grade who had no pre-school education and for third and fourth grade children who have repeated a grade or who are behind in school.	Four workshops held per week in the 129 schools . 60,000 student guides distributed. 5,000 guides for tutors distributed.		
1.3 Educational management. Develop School Educational Projects, reorganize the teaching staff and equip the selected schools with the SIGED system.	129 School Educational Projects prepared and financed. 50% of the teaching staff work both shifts at the same school. 129 SIGED systems in place (component 3).		
1.4 Learning resources. Provide learning materials suited to the pedagogical model.	2,580 classroom libraries distributed. 129 school libraries distributed. 500,000 textbooks distributed. 129 packets of educational materials.		
1.5 Infrastructure and furniture. Provide the schools with infrastructure	258 multi-purpose rooms constructed. 129 schools with rehabilitated bathrooms.		

Narrative Summary	Indicators	Means of Verification	Assumptions
and furniture according to their pedagogical needs.	129 classrooms rehabilitated and furniture available.		
1.6 Assistance for over-age students. Hold accelerated education workshops for children three or more years older than the appropriate age for the grade in which they are enrolled.	Students over 15 in the first cycle of basic education transferred to adult education. 6,000 students served by the workshops for over-age students. 40,000 student guides distributed.		
1.7 Support for implementation of the model. Strengthen the capacity of the SEE at the central and the district level to extend and supervise the model.	Central unit created and functioning. 80 district specialists supervise the schools.		
1.8 Evaluation. Conduct a qualitative study on the level of satisfaction of the educational community and identify the strengths and weaknesses of the model.	10 focus groups made up of families. 10 focus groups made up of participating tutors and teachers.		
Conduct a study to identify the level of learning of fourth grade pupils, the socio-economic characteristics of their homes, and the characteristics of the educational environment at program schools.	Baseline and final measurement (after two years) carried out and administrative information gathered and analyzed.		
Component 3. Strengthening educational management for equity.			
1.1 Extension of the SIGED system to schools. Provide program schools with decentralized and computerized administrative management capacity.	700 schools connected for use of the SIGED system. Help desk operational.		

Narrative Summary	Indicators	Means of Verification	Assumptions
1.2 Strengthening the Data Warehouse. Provide a back-up system for the educational data storage system (data warehouse).	Three servers in operation. Area network cables installed. Software for storing and using the information installed. Educational intelligence unit (system maintenance) operational.		
1.3 Training of users. Train those involved in educational management in computer literacy, using office software, and using specific SIGED applications.	10,000 education employees (teachers, directors, administrators at schools, districts and SEE headquarters).		
1.4 Educational computing pilot project. Provide a group of micro-centers with the capacity to generate a proposal to utilize educational computing.	100 rural networks with prepared proposals and operational laboratories.		
Component 4. Competitive Fund for Educational Innovations. Fund a competition for innovative proposals to enhance the quality and efficiency of public basic education.	Competition criteria applied to the proposals submitted to the Fund. 10 projects financed and executed.		

PROCUREMENT PLAN
DOMINICAN REPUBLIC
BASIC EDUCATION PROGRAM – PHASE 1
(DR-0125)

Principal procurement items	Total amounts	Financing (%)		Method of procure-ment (thousands)	Pre-qualifica-tion	Planned date of publica-tion AEL
		IDB	LOCAL			
Component 1						
Preparation of manuals and guides (consulting)	582,500	100		LCB/ICB	YES	IV/2002
Printing of manuals and guides (services)	1,524,046	100		LCB/ICB/PC	YES	IV/2002
Materials, furniture, videos, libraries (goods)	10,481,500	100		LCB/ICB/PC	YES	IV/2002
Workshop logistics (services)	245,400		100	LCB/PC	NO	
Consulting - technical support (consulting)	1,670,500	82	18	LCB	NO	IV/2002
Infrastructure (goods)	16,070,000	95	5	ICB	YES	
Vehicles (goods)	277,500			ICB/LCB	NO	
Component 2						
Preparation of manuals, guides and texts (consulting)	916,511	100		LCB/PC	YES	IV/2002
Printing of manuals, guides and texts (services)	3,124,714	100		LCB/PC	YES	II/2003
Materials, furniture, videos, libraries (goods)	1,943,772	100		LCB/ICB/PC	YES	I/2003
Workshop logistics (services)	1,016,380		100	LCB/PC	NO	
National and international consulting in areas of training, evaluation and support for implementation (consulting)	1,650,800	100		LCB/ICB/PC	YES	I/2003
Infrastructure (goods)	15,996,000	100		LCB/ICB	YES	IV/2002
Vehicles (goods)	60,000	100		PC	NO	
Saturday courses for teachers (services)	145,440	100		LCB	YES	I/2003
Component 3						
Computer training (consulting)	1,600,000	100		LCB/ICB	YES	IV/2002
Data Warehouse (services)	782,800	89	11	LCB/ICB	YES	IV/2002
Connectivity (services)	3,002,600	100		LCB/ICB	YES	I/2003
Hardware (goods)	3,330,000	100		ICB	YES	II/2003
Maintenance services (services)	1,749,564	20	80	LCB/ICB	YES	II/2003
Furniture (goods)	240,000	100		LCB	NO	
Software (goods)	210,000	100		LCB	NO	
Consulting - technical support (consulting)	450,000	89	11	LCB/ICB/PC	NO	

	Goods and Services	Consulting
International Competitive Bidding (ICB)	US$250,000 and above	US$200,000 and above (firms)
Local Competitive Bidding (LCB)	US$50,000 – US$249,999	US$50,000 - US$199,999 (firms) US$50,000 – US$99,999 (indiv.)
Price Comparison (PC)	Up to US$49,999	Up to US$49,999
Direct Contracting (DC)		

INDICATORS FOR PROCESSING
THE SECOND PHASE OF THE PROGRAM

Indicator	Justification for selecting this indicator
Rural Multigrade Education	
1. The mid-term evaluation must include the implementation of the rural multi-grade model and recommendations for improving execution in the second phase.	Proper implementation of the models of rural multigrade education and assistance to marginal urban areas is essential to achieving greater equity in basic education.
2. The impact assessment of the rural multi-grade model must show an improvement in the rate of graduation from the fourth grade in program schools of at least 10 percentage points, and a significant increase in the levels of learning in language and math, with respect to the control group.	The impact assessment will help to differentiate factors deriving from the model, from families, and from the environment that might hurt or contribute to the achievement of projected impacts.
Assistance to marginal urban areas	
1. The mid-term evaluation must include the implementation of the model of assistance to marginal urban schools and recommendations for improving execution in the second phase.	
2. The impact assessment must show average reductions in the rate of repetition of the third grade of at least 20% and a significant increase in the levels of learning in language and math with respect to the ex ante level.	
Strengthening educational management	
1. The physical goals of the SIGED system must have been achieved and the schools must be using the system of educational management indicators for decision-making based on the mid-term evaluation.	The effective availability of the SIGED system is essential for better educational management and for informed decision-making.
Execution and audit goals	
1. Disbursement of 50% and commitment of 75% of the resources corresponding to the first phase.	